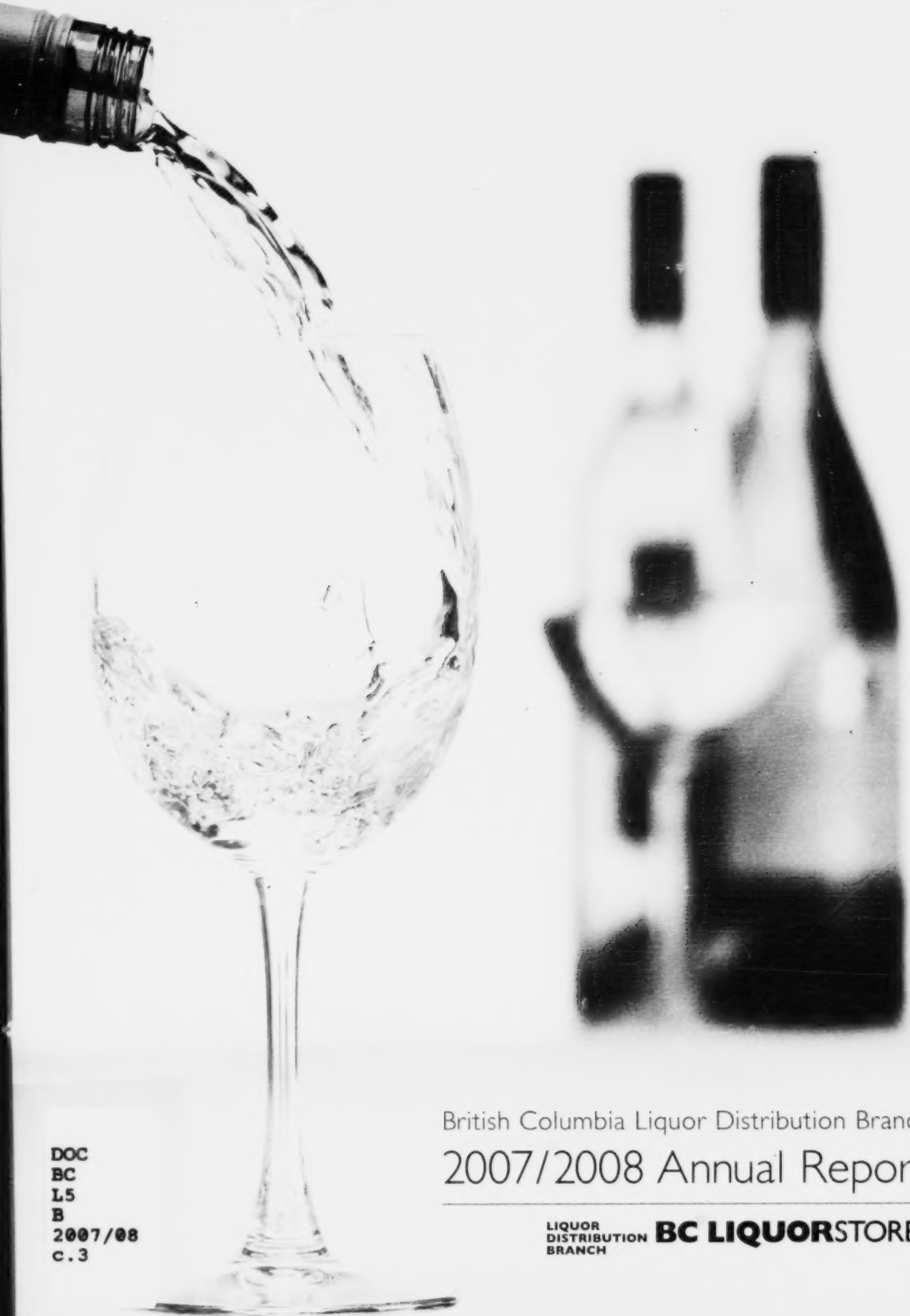

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British Columbia Liquor Distribution Branch

2007/2008 Annual Report

LIQUOR DISTRIBUTION BRANCH **BC LIQUOR**STORES

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British Columbia Liquor Distribution Branch

2007/2008 Annual Report

VISION That our customers have the opportunity to discover, enjoy and share the evolving world of beverage alcohol.

MISSION To be a customer-focused, profitable retailer and wholesaler of beverage alcohol dedicated to innovation, exemplary service, helpful product knowledge and corporate social responsibility.

VALUES

EXEMPLARY SERVICE
We take pride in the quality of our work. We strive for excellence in serving customers and coworkers.

PUBLIC SAFETY AND SOCIAL RESPONSIBILITY
We encourage and support the responsible use of beverage alcohol.

INTEGRITY
We take responsibility and are fully accountable for our actions, decisions and behaviour. We are open, honest and fair.

RESPECT
We treat all individuals with fairness, dignity and respect.

TEAMWORK
We support one another to achieve corporate goals.

INNOVATION
We encourage our people to find innovative and creative ways to improve our business.

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LIQUOR DISTRIBUTION BRANCH **BC LIQUOR**STORES

Awards & Recognition

Retail Council of Canada
Excellence in Retailing – Support Dry Grad/Share-a-Bear

On June 4, 2007 BC Liquor Stores received the top award in the category of Retail Corporate Social Responsibility for its Support Dry Grad and Share-a-Bear programs at the Retail Council of Canada's Excellence in Retailing awards. The award is given to a retailer that develops a new (or advances an existing) corporate social responsibility initiative, and demonstrates innovative and proactive solutions to societal and environmental challenges.

International Association of Printing House Craftsmen
Superb Craftsmanship – TASTE Magazine

BC Liquor Stores was recognized by the International Association of Printing House Craftsmen for super craftsmanship in the production of its in-house magazine, TASTE winning the 2007 Silver Award for the Winter issue. Additionally, BC Liquor Stores received Bronze awards for craftsmanship for Gift Card packaging and Mixology backer-cards.

American Marketing Association
BRITISH COLUMBIA
Chapter

American Marketing Association
2007 Marketer of the Year Finalist

In 2007, BC Liquor Stores was nominated for the BC Chapter of the American Marketing Association's Marketer of the Year award and was selected as one of four finalists for the development of the Signature Liquor Store model as well as the refreshed look in renovated BC Liquor Stores.

BC LIQUORSTORES
COMMUNITY**FUND**

LDB Community Fund, 2007 Provincial Employees Community Services Fund Campaign

Echoing the record $1.8 million contributed by all provincial employees in the 2007 Provincial Employees Community Services Fund campaign, BC Liquor Distribution Branch employees' donations exceeded $150,000 this year; the highest amount collected to date.

General Manager's Message to the Minister Responsible

The Honourable John van Dongen, Minister of Public Safety and Solicitor General:

I am pleased to report that the fiscal year 2007/08 ended with the British Columbia Liquor Distribution Branch (LDB) delivering a net income of $857 million, compared to $840 million the previous year. This is a $17 million increase over the previous fiscal year—and $47 million over our Service Plan target for the year.

Total sales for the year were $2.7 billion, an increase of $226 million or 9.2 per cent over the Service Plan target, and $170 million or 6.8 per cent over the previous year. Fiscal 2007/08 saw increases in all product categories: 7.3 per cent in spirits, 12.2 per cent in wine, 3.3 per cent in beer and 4.4 per cent in refreshment beverages.

Public safety and corporate social responsibility continue to be key priorities for our organization. Our annual Support Dry Grad campaign, which is part of the LDB's commitment to promoting zero consumption for minors, was recognized by the Retail Council of Canada this year, winning their Corporate Social Responsibility Initiative Award. This year's campaign raised an unprecedented $625,587—thanks to the incredible generosity of our customers.

Advancements in technology have provided us with opportunities to address risks associated with Business Continuity and Disaster Recovery, as well as providing enhanced ordering services for our customers. In 2007/08, the LDB provided service to more than 1,300 liquor outlets in the province and processed more than 11 million cases of beverage alcohol through its two distribution centres. The private retail system continued to expand with the number of licensee retail stores increasing to 654 from 631 last year. To better serve this growing customer base, the LDB implemented a new wholesale order management system to streamline orders that flow through our distribution network. The timing of the new system implementation interrupted the delivery of our wholesale customer satisfaction survey and, as a result, our wholesale customer satisfaction measurement was missed for this report.

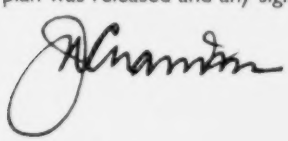
The LDB recognizes the effort required to address the important environmental challenges and to meet the Government's ambitious climate change goals. Looking ahead, we began developing initiatives to ensure that our organization is progressing on the road to carbon neutrality.

Like most organizations, we are facing the challenges that come with an aging workforce. The LDB has developed succession plans that will supplement the workforce planning process and enable us to move into the future with confidence. This year, we refined our employee satisfaction measurement procedures and developed a new employee survey method. As a result of these activities, the measurement of our employee engagement was missed for this report.

The 2007/08 LDB Annual Report was prepared under my direction in accordance with the *Budget Transparency and Accountability Act*. I am accountable for the contents of the report, including what has been included in the report and how it has been reported.

The information presented has been prepared in accordance with the BC Reporting Principles and reflects the actual performance of the LDB for the 12 months ended March 31, 2008 in relation to the February 2007 service plan. The measures presented are consistent with the LDB's mission, goals and objectives, and focus on aspects critical to the organization's performance.

I am responsible for ensuring internal controls are in place to ensure performance information is measured accurately and in a timely fashion. All significant decisions, events and identified risks, as of June 2, 2008, have been considered in preparing the report. The report contains estimates and interpretive information that represent the best judgment of management. Any changes in mandate direction, goals, objectives, strategies, measures or targets made since the February 2007 service plan was released and any significant limitations in the reliability of data are identified in the report.



Jay Chambers
General Manager
June 2, 2008

Organizational
Overview

Governance

In British Columbia, the Liquor Distribution Branch (LDB), under the authority of the *Liquor Distribution Act*, has the sole right to purchase beverage alcohol, both in and out of British Columbia, in accordance with the *Importation of Intoxicating Liquors Act (Canada)*.

Reporting to the Minister of Public Safety and Solicitor General, the LDB is responsible for the importation, distribution, wholesaling and retailing of beverage alcohol in British Columbia and operates government liquor stores and distribution centres in the province.

The LDB follows the Crown Agencies Secretariat guidelines for service plans and annual reports, and is reported out in public accounts in a manner similar to a commercial crown corporation, on a modified equity basis.

The *Liquor Distribution Act* specifies that the minister must appoint a general manager and that the general manager is responsible for administering the *Act*, including the general control, management and supervision of liquor stores, subject to the orders, directions and supervision of the minister.

The *Act* further clarifies the powers of the general manager and delineates the administration of the LDB and the operation of its liquor stores.

Another branch within the Ministry of Public Safety and Solicitor General, the Liquor Control and Licensing Branch (LCLB), enforces the *Liquor Control and Licensing Act*. The LCLB is responsible for the licensing, monitoring and enforcement of the *Act* and regulations related to private liquor stores, restaurants, pubs and manufacturers.

Business of the Liquor Distribution Branch

The LDB operates a province-wide beverage alcohol retail and wholesale business within a mixed public-private model. With a workforce of approximately 3,500 full-time and part-time employees, the LDB, as of March 31, 2008 operates:

- 199 government liquor stores throughout the province;
- two distribution centres, in Vancouver and Kamloops; and
- a head office facility in Vancouver.

BC's beverage alcohol retail model includes government liquor stores, licensee retail stores, rural agency stores, British Columbia manufacturer stores, independent wine stores and duty-free stores. With more than 1,300 liquor retail outlets operating in BC, consumers have a variety of choices depending on their service needs. As a part of this retail system, the LDB is committed to providing customers with an enhanced shopping environment, increased product selection and a high level of service.

As of March 31, 2008, private-sector retail establishments in BC included:

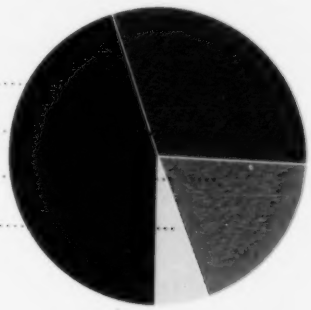
- 654 LRSs (private liquor stores licensed to sell all liquor products);
- 228 RASs (general merchandise stores in rural communities authorized to sell all liquor products);
- 166 on-site manufacturer stores (stores at wineries, breweries and distilleries that sell products manufactured on-site);
- 35 off-site manufacturer stores (stores operated by the BC wine industry that sell BC winery products);
- 12 independent wine stores (private wine stores authorized to sell all types of wine); and
- 11 duty-free stores.

The wholesale beverage alcohol model in British Columbia includes the two government distribution centres as well as a number of private distributors authorized to distribute liquor as agents of the LDB. As a key component of this system, the LDB is continuing to adapt its distribution systems to improve services to its wholesale customers and increase efficiencies in its stores.

The LDB purchases beverage alcohol from over 400 suppliers and manufacturers in British Columbia, across Canada and around the world. Licensed manufacturing sites in British Columbia include 163 wineries, 52 breweries and brew pubs and 14 distilleries.

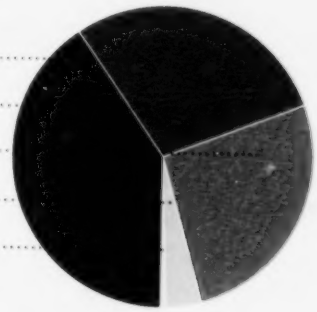
Percentage of Gross $ Sales by Retail Channel
2007/08

Government Liquor Stores	40.5%
Licensee Retail Stores	32.3%
Licensee (pubs, bars, restaurants)	19.1%
Agency Stores	8.1%



Percentage of Gross $ Sales by Product Category
2007/08

Beer	40.4%
Wine	28.9%
Spirits	26.3%
Ciders/Coolers	4.0%
Special Orders/Non-alcoholic	0.4%



LDB Customers and Stakeholders

BC Liquor Stores average over 700,000 customer visits each week, making the LDB one of the province's largest retail organizations. The LDB has both retail and wholesale customers. Our stakeholders include the people of British Columbia, their elected officials, our employees, our suppliers and groups that share our concern for public safety. The LDB offers a broad selection of both international and domestic products, and our employees strive to provide exemplary service in assisting both our retail and wholesale customers in finding the right products for their needs. As well, the LDB continually looks for ways to become more efficient in the management of our operating expenses.

To serve the interests of our customers and stakeholders, we:

- deliver quality products and services;
- provide products and services to a variety of liquor retail venues throughout British Columbia;
- manage the importation, warehousing, transportation and sale of liquor in a fair and impartial manner;
- promote the safe and responsible use of beverage alcohol; and
- implement policies to ensure LDB workplaces are safe and free of harassment or discrimination.

To fulfill our responsibilities to the government and people of British Columbia, we:

- maximize revenue to the government of British Columbia;
- manage the LDB's business risks;
- ensure accountability of key business partners; and
- develop and implement programs and services aimed at deterring the sale of beverage alcohol to minors, those who appear intoxicated, or those who are believed to be buying for either of these parties.

Shareholder's Letter of Expectations

A key component of the LDB's governance framework is the Shareholder's Letter of Expectations, an agreement between the Minister and on behalf of Government and the General Manager of the LDB. This document establishes the LDB's mandate and identifies Government's strategic priorities and performance expectations for the LDB. The direction from Government and the status of the LDB's actions to implement this direction is shown in the attached chart.

Government Direction	LDB Alignment
Inform the Shareholder on a regular basis of any major changes occurring or likely to occur in the beverage alcohol market, or within the LDB itself, that may impact on the LDB's achievement of its Service Plan targets either negatively or positively.	Done.
Implement financial reporting that clearly segregates retail and distribution operations to enable transparent disclosure of costs at the retail and wholesale levels.	Done. See page 27 for segregated reporting.
Comply with the Shareholder's and the Liquor Control and Licensing Branch's direction to rationalize and improve the regulatory framework for the importation, distribution and retailing of beverage alcohol products in British Columbia.	Responsibility for regulating certain private stores appointed under the *Liquor Distribution Act* has been transferred from the LDB to the Liquor Control and Licensing Branch – see page 17.
Comply with the Shareholder's and Liquor Control and Licensing Branch's direction to deliver social responsibility programs and service delivery rules and regulations.	See Goal 5, Pages 19-20 for progress on social responsibility initiatives.

The Four Pillars Framework

The LDB organizes its strategic priorities and key objectives around the concept of four pillars. All four pillars support financial performance and at the foundation are the LDB's dedicated employees.

HIGH-LEVEL GOALS

The five high-level goals are:

Goal 1 — FINANCIAL PERFORMANCE
Maximize net income within the policy guidelines established by government.

Goal 2 — WORKPLACE QUALITY AND EMPLOYEE EXCELLENCE
Build a customer-focused, high performance work environment that results in greater employee involvement, development, innovation and creativity.

Goal 3 — CUSTOMER EXPERIENCE
Continually improve the customer experience in BC Liquor Stores.

Goal 4 — BUSINESS EFFECTIVENESS
Continue to seek out improvements to operating efficiencies and maximize wholesale customer satisfaction in a climate of constant change.

Goal 5 — PUBLIC SAFETY AND SOCIAL RESPONSIBILITY
Encourage the responsible use of beverage alcohol.

The Four Pillars Framework

British Columbia Liquor Distribution Branch

2007/2008 YEAR IN REVIEW

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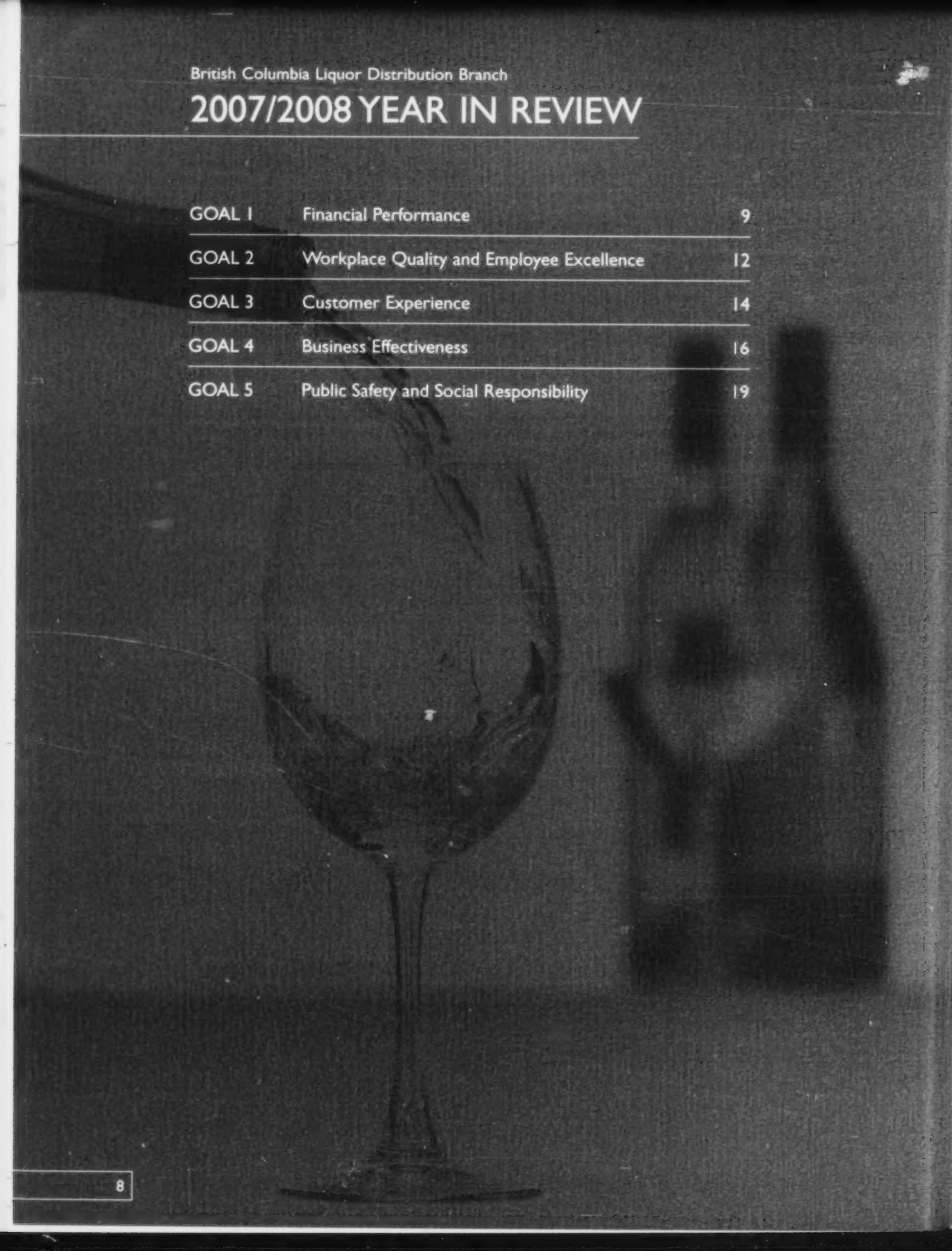

GOAL 1: Financial Performance

Maximize net income within the policy guidelines established by government.

Performance Highlights

Sales of beverage alcohol continued on a strong trend in fiscal 2007/08. Total sales for the year were $2.7 billion, an increase of $226 million or 9.2 per cent over the 2007/08-2009/10 Service Plan targets and $170 million or 6.8 per cent over last year. Net income for fiscal 2007/08 was $857 million exceeding the target by $47 million. Net income—total revenue less total expenses—is the LDB's financial contribution to the province of British Columbia.

Sales in all categories performed ahead of Service Plan targets, with the exception of the Non-Alcoholic category which was marginally below Plan ($0.6 million). The strong sales were reflected in increases of 7.3 per cent in spirits, 12.2 per cent in wine, 3.3 per cent in beer and 4.4 per cent in refreshments, compared to fiscal 2006/07.

An increase of 23 licensee retail stores (LRSs) contributed to a 14.3 per cent increase in sales to those outlets over the previous year. Total liquor outlets in the province increased by 37 from 1,268 to 1,305 during the year.

Sales by Major Category ($000s)

	2007/08	2006/07	2005/06	2004/05	2003/04	Change vs Previous Year $	Change vs Previous Year %
Domestic Spirits	410,071	389,181	366,999	353,392	336,237	20,890	5.4%
Import Spirits	294,881	267,723	239,560	221,004	201,033	27,158	10.1%
Total Spirits	**704,952**	**656,904**	**606,559**	**574,396**	**537,270**	**48,048**	**7.3%**
Domestic Wine	376,762	304,000	277,431	251,009	221,396	72,762	24.0%
Import Wine	398,204	386,835	338,881	306,904	272,158	11,369	2.9%
Total Wine	**774,966**	**690,835**	**616,312**	**557,913**	**493,554**	**84,131**	**12.2%**
Domestic Refreshment	89,656	90,878	85,749	87,526	83,432	-1,222	-1.3%
Import Refreshment	18,454	12,681	9,950	10,876	9,894	5,773	45.5%
Total Refreshment	**108,110**	**103,559**	**95,699**	**98,402**	**93,326**	**4,551**	**4.4%**
Domestic Beer	885,342	868,997	839,227	830,380	784,407	16,345	1.9%
Import Beer	195,536	177,598	149,111	137,554	122,855	17,938	10.1%
Total Beer	**1,080,878**	**1,046,595**	**988,338**	**967,934**	**907,262**	**34,283**	**3.3%**
Miscellaneous/Special Orders	10,560	11,232	11,735	10,164	11,942	-672	-5.98%
Total Sales	**2,679,466**	**2,509,125**	**2,318,643**	**2,208,809**	**2,043,354**	**170,341**	**6.8%**

Sales by Major Category in Litres (000s)

	2007/08	2006/07	2005/06	2004/05	2003/04	Change vs Previous Year Litres	%
Domestic Spirits	15,829	15,488	15,152	14,739	14,391	341	2.2%
Import Spirits	9,502	8,909	8,216	7,678	7,206	593	6.7%
Total Spirits	**25,331**	**24,397**	**23,368**	**22,417**	**21,597**	**934**	**3.9%**
Domestic Wine	29,593	26,781	25,763	24,012	22,427	2,812	10.5%
Import Wine	25,883	25,087	22,726	21,122	19,200	796	3.2%
Total Wine	**55,476**	**51,868**	**48,489**	**45,134**	**41,627**	**3,608**	**7.0%**
Domestic Refreshment	18,799	19,267	18,387	18,665	14,236	-468	-2.4%
Import Refreshment	3,061	2,048	1,471	1,602	5,682	1,013	49.5%
Total Refreshment	**21,860**	**21,315**	**19,858**	**20,267**	**19,918**	**545**	**2.6%**
Domestic Beer	240,933	239,868	237,338	237,623	238,179	1,065	0.4%
Import Beer	43,671	39,356	33,274	31,109	28,398	4,315	11.0%
Total Beer	**284,604**	**279,224**	**270,612**	**268,732**	**266,577**	**5,380**	**1.9%**
Miscellaneous/Special Orders	187	194	201	199	207	-7	-3.6%
Total Sales	**387,458**	**376,998**	**362,528**	**356,749**	**349,926**	**10,460**	**2.8%**

Goal 1: Financial Performance Targets and Results 2007/2008

Objective
1. Achieve or exceed net income targets

Strategy
1. Grow sales and effectively manage operating expenses

PERFORMANCE MEASURE	TARGETS	ACHIEVEMENT
Total Sales ($ billions)	07/08 – $2.45 08/09 – $2.51 09/10 – $2.56	**$2.68 billion** **Target exceeded:** Sales are an important measure of financial performance as they directly impact the LDB's ability to achieve or exceed net income targets. Total sales in fiscal 07/08 exceeded target by $226 million. Previous years: 06/07 - $2.51 billion, 05/06 – $2.32 billion, 04/05 – $2.21 billion
Gross Margin ($ billions)	07/08 – $1.08 08/09 – $1.10 09/10 – $1.12	**$1.1 billion** **Target achieved:** Gross margin is an important measure of financial performance as it represents the funds remaining after the cost of product has been paid. These funds are applied to pay for operating expenses with the excess being the contribution to government. Previous years: 06/07 - $1.09 billion, 05/06 – $1.02 billion, 04/05 – $1.01 billion

Goal 1: Financial Performance Targets and Results 2007/2008 *continued from previous page*		
PERFORMANCE MEASURE	**TARGETS**	**ACHIEVEMENT**
Operating expenses ($ millions)	07/08 – $270.2 08/09 – $275.5 09/10 – $282.1	**$256.1 million** **Target exceeded:** Managing the operating expenses of the LDB is important to achieving the net income targets and is constantly monitored and analyzed. A number of favourable variances—such as professional services, amortization, the transfer of beverage container program back to industry and cancellation of the loyalty program, more than offset some additional costs such as employment expenses resulting from salary increases, additional sales volumes, bank fees from the increased use of credit cards, and freight to stores resulting from both increased volume and fuel surcharges. Previous years: 06/07 – $256.3 million, 05/06 – $242.4 million, 04/05 – $240.0 million
Net income ($ millions)	07/08 – $810.1 08/09 – $828.0 09/10 – $838.9	**$857.2 million** **Target exceeded:** Net income is $47.2 million ahead of target. This measure of financial performance—total revenue less total expenses—is the LDB's financial contribution to the province of British Columbia. Increased sales and tight management of operating expenses were the largest contributing factor in exceeding the target. Previous years: 06/07 – $840.3 million, 05/06 – $800.5 million, 04/05 – $778.6 million.
Total LDB expenses as a percentage of total LDB sales	07/08 – 11.0% 08/09 – 11.0% 09/10 – 11.0%	**9.6%** **Target exceeded:** Managing operating expenses as a percentage of sales is an important financial index as it indicates the degree of efficiency attained by the LDB. Previous years: 06/07 – 10.2%, 05/06 –10.5%, 04/05 – 10.9%

Direct distributed Land-Based Winery Sales were not included in the targets for fiscal years 2007/08 to 2009/10. Due to an identified requirement that the LDB report on these sales, the actual results include $82.3 million in 2007/08, $74.7 million in 2006/07, $69.1 million in 2005/06, and $60.4 million in 2004/05 with an equivalent amount added to the cost of goods sold for each of these years. Actual LDB expenses as a percentage of total LDB sales have been adjusted to reflect this change.

GOAL 2: Workplace Quality and Employee Excellence

Build a customer-focused, high performance work environment that results in greater employee involvement, development, innovation and creativity.

Performance Highlights

Workforce

Our dedicated and enthusiastic staff continue to be our greatest asset. The consistent high level of customer service that our employees provide is a tribute to their professionalism and dedication.

Like most organizations today, the LDB is facing the challenges associated with an aging workforce. The LDB has historically had a low employee turnover rate, which has resulted in the organization retaining a large group of experienced, long-term employees. As this large group of employees moves closer to retirement, succession planning will be the means by which the LDB identifies and secures the skills and competencies required to deliver on its business strategies. The LDB's workforce plan will supplement the succession planning process and enable employees to develop career paths and learning and development plans.

Training and Development

So that our customers consistently receive the best experience possible, the LDB continued providing staff with innovative and leading-edge skills this year. Two new training programs were developed and delivered to staff; "New Manager Training Program" and "Strategies for Extraordinary Customer Relations."

The Product Knowledge series was updated and 1,800 employees enrolled in the program.

This year, we adjusted the way we measure our employee satisfaction to focus on the degree to which our employees feel engaged and satisfied with their work environments and are involved with the LDB's corporate vision and mission. A new survey was created and will be administered to staff early in the next fiscal year.

Goal 2: Workplace Quality and Employee Excellence Targets and Results 2007/2008

Build a customer-focused, high performance work environment that results in greater employee involvement, development, innovation and creativity.

Objective

1. Continue to develop a customer-focused workforce that is knowledgeable, skilled, motivated and enthusiastic

Strategy

1. Enhance staff skills and engagement through management development, employee training and increased communication
2. Implement succession plans for key positions
3. Provide a safe, healthy and harassment-free workplace
4. Promote a retail-oriented culture through a performance management and recognition process

PERFORMANCE MEASURE	TARGETS	ACHIEVEMENT
Employee satisfaction and engagement	07/08 – 80% 08/09 – 90% 09/10 – 90%	**Target not measured:** During fiscal 2007/08 we refined our employee satisfaction measurement process to measure levels of employee engagement with their work environments. As such, a new survey process was developed and will be complete for fiscal 2008/09. Previous years actual: 06/07 – 66% employee satisfaction, 05/06 – 57% employee satisfaction, 04/05 – not measured

Goal 3: Customer Experience

Continually improve the customer experience in BC Liquor Stores.

Performance Highlights

British Columbia Wines

The LDB is committed to delivering quality products and providing exemplary service to all of its customers. As part of this, BC Liquor Stores continued to support and feature the wines of British Columbia wherever possible. Twice per year the LDB releases a special collection of BC Wines to the public in The Best of BC release, held in the spring and fall of each year. This year, more than 50 BC premium wines were featured in select Signature Stores as part of the Best of BC releases.

Vancouver Playhouse International Wine Festival

For the 30th consecutive year, the LDB operated an on-site wine store during this year's Vancouver Playhouse International Wine Festival. Regarded as Canada's premiere wine event, this year 176 wineries from 16 countries attended VPIWF to pour 701 wines at 60 events. The spotlight was on two areas—the regional theme of Italian Wine, or Vino Italiano: Innovation by Tradition, and the global focus was on sparkling wine. The LDB once again offered the Get Home Safe program for festival-goers who wished to take advantage of a free transit ticket for their travels home after attending the festival.

The LDB is looking forward to next year's festival when British Columbia takes centre stage in 2009 and showcases the very best wines that our province has to offer.

Feature Programs

The LDB worked with consulates and trade organizations to support their marketing efforts this year and featured programs highlighting the wines of various regions, including Italy, New Zealand, Australia and California. Programs included store displays, trade events and in-store tastings.

Website

During fiscal 2007/08, an average of 35,000 visitors per month accessed the LDB website, www.bcliquorstores.com. The site provides information about BC Liquor Store products, product use, store locations, corporate publications, and the liquor industry. One of the most popular features of our site is the product search function which allows browsers to search through our products to find product listings and store locations.

TASTE

Our in-store quarterly consumer magazine, TASTE, won the silver award at the 33rd International Gallery of Print and Graphics for its spectacular Holiday 2007 issue, where it stood out among more than 2,250 competitors across the globe. Thanks to the continued achievements of the LDB's marketing team, TASTE is also the most widely distributed, locally produced magazine in British Columbia.

Approximately 400,000 copies of the new TASTE magazine will be distributed at 199 BC Liquor Stores across the province this coming year.

Goal 3: Customer Experience Targets and Results 2007/2008

Continually improve the customer experience in BC Liquor Stores.

Objective

1. Continue to enhance the shopping experience for LDB retail customers

Strategy

1. Maximize the benefit of the distinctive positioning and the consumer expectations associated with the existing Signature Stores
2. Continually refresh the store network
3. Continually provide enhanced customer services
4. Improve customer access to British Columbia Vintners Quality Alliance (VQA) wines

PERFORMANCE MEASURE	TARGETS	ACHIEVEMENT
Average retail customer transaction value	07/08 – $28.99 08/09 – $30.15 09/10 – $31.05	**$30.22** **Target exceeded:** Customers continue to make more premium selections in their beverage alcohol purchases and in turn this has a positive affect on the average transaction value. Previous years: 06/07 – $28.95, 05/06 – $27.22, 04/05 – $26.70
Retail customer satisfaction	07/08 – 90% 08/09 – 90% 09/10 – 90%	**98%** **Target exceeded:** Close to 3,500 customers were surveyed; 34% responded with "excellent," 41% responded with "very good" and 23% responded with "good." Previous years: 06/07 – 98%, 05/06 – 91%, 04/05 – 89%
Increased dollar sales of VQA wines through LDB retail stores	07/08 – 20% 08/09 – 20% 09/10 – 20%	**2.8%** **Target not met:** The 2005/06 year saw an unprecedented run of excellent vintages for VQA wines which resulted in an increase in customer exposure to these wines. Conversely, the 2006/07 year followed with limited availability of VQA wines due to poor weather and low yields, which had a negative impact on customer exposure for that year. This year, while consumer interest remains high, limited availability continues to challenge growth in this category. Previous Years: 06/07 – 3.8%, 05/06 – 18.5%, 04/05 – 4.9%

Goal 4: Business Effectiveness

Continue to seek out improvements to operating efficiencies while maximizing wholesale customer satisfaction in a climate of constant change.

Performance Highlights

Distribution/Wholesale

The number of LRSs in the province has experienced significant growth, increasing from 290 in 2002 to 654 in 2008. This increase in wholesale customers has impacted the number of orders that flow through the LDB's distribution network.

In January 2008 the LDB implemented a new wholesale order management and inventory system to better serve our expanding wholesale customer base. This new system is commonly referred to as WOM, which stands for Wholesale Order Management. The new system is designed specifically to improve order management services both in the LDB distribution centres and to wholesale customers. WOM provides updated technology that will enhance the growing wholesale business model well into the future. Currently, the LDB processes more than 11 million cases of beverage alcohol annually through its two distribution centres. WOM will improve customer service and business functionality—offering consistent inventory allocation, an automated payment process, shipping schedules and order consolidation.

As part of the plan to continue to improve service to our increasing wholesale customer base, the LDB will also implement a new web/online ordering system, commencing in 2008/2009.

Technology

Technology and information are key components of the LDB's ability to deliver efficient and effective service to both its retail and wholesale customers. Improvements in data gathering and reporting provide increased abilities for the LDB in identifying sales trends, adjusting merchandising strategies, identifying and addressing illicit activity, and gaining operational efficiencies. Advancements in technology also assist the LDB in managing risks associated with Business Continuity and Disaster Recovery, as well as providing enhanced ordering services to its wholesale customers.

Corporate Security

Continued improvements in digital imaging and security systems have provided the LDB with the opportunity to be an industry leader in corporate security measures. We are now commencing year three of our six-year implementation plan which encompasses upgrades to stores and distribution centres across the province and provides the framework for advancements in live monitoring and police communication as well as cost savings and safety measures.

Investigations

The LDB has shown leadership in corporate social responsibility and in partnerships established with other provincial and federal agencies towards the monitoring of illegal activities such as cross-border smuggling and theft. Our investigators work closely with the police and other government agencies to address community concerns and minimize the impact of illicit activities in the community.

Emergency Programs

Emergency Programs at the LDB encompasses Business Continuity, including Disaster Recovery and Emergency Management. Our Business Continuity Program identifies critical processes and guides our organization through the process of mitigation, response, recovery and resumption of business in the event of a disruption.

The LDB has completed a Pandemic Plan and is in the final stages of its Enterprise Wide Risk Assessment. From this, a comprehensive Business Continuity Plan will be developed for the entire branch. There is an existing Emergency Response

Team (ERT) in place as well as a functioning Emergency Operations Centre. All ERT members have been trained and participate in annual emergency response exercises. A standard has also been developed to ensure consistency throughout the organization in regards to Fire Safety Plans.

The LDB actively engages employees in emergency preparedness activities both at work and at home. Each year, employees receive a personal preparedness package for home and family during National Emergency Preparedness Week as well as a variety of training opportunities on emergency planning.

Regulatory Reform

In 2007, the decision was made to transfer responsibility for regulating private retail stores appointed under section 18(5) of the *Liquor Distribution Act*, except for rural agency stores and duty free stores, from the LDB to the Liquor Control and Licensing Branch (LCLB). This decision affected on-site and off-site stores operated by British Columbia wineries, breweries and distilleries and private wine stores. The transfer of responsibility for these stores to the LCLB has resulted in a more consistent and effective regulatory environment for private liquor retailing.

Carbon Neutral Initiatives

The LDB recognizes the effort required to address the important environmental challenges and to meet the Government's ambitious climate change goals. This year we established a Climate Change Action Committee and created a Manager of Environmental Initiatives position. Both of these initiatives are dedicated to addressing environmental considerations and ensuring that the LDB is effectively progressing on the road to carbon neutrality.

Benchmarking

The LDB previously benchmarked itself with three other provinces: Manitoba, Ontario and Alberta. The LDB expects to continue benchmarking annually with these jurisdictions on the same measures, which are described below. Although other provincial liquor authorities have many similarities with the LDB, there are important differences that impact the comparability of certain statistics. For example, in Ontario most beer is sold through a private Brewers Retail system, which results in lower sales per square foot for government stores in that province when compared to the LDB, which sells a large amount of beer through its stores.

Per capita net income of beverage alcohol

This measure shows how the British Columbia liquor system compares to other provinces from the perspective of generating government revenue.

Government liquor store (GLS) operating expenses as a percentage of store sales

This measure is an indicator of LDB store efficiency as compared to other provincial government stores.

Sales per square foot

This is another indicator of the efficiency of the LDB's store system.

Industry Benchmarks 2006/2007

	British Columbia	Alberta	Manitoba	Ontario
Per capita net income of beverage alcohol	$192	$190	$175	$139
GLS operating expenses as a percentage of store sales	9.6%	n/a	10.8%	10.0%
Sales per square foot	$1,425	n/a	$918	$885

Goal 4: Business Effectiveness Targets and Results 2007/2008

Continue to seek out improvements to operating efficiencies while maximizing wholesale customer satisfaction in a climate of constant change.

Objective
1. Maintain wholesale customer satisfaction
2. Improve cost efficiencies

Strategy
1. Maximize the potential efficiencies available through improved distribution operations
2. Increase the use of available, current and cost-effective technology
3. Provide improved wholesale customer services

PERFORMANCE MEASURE	TARGETS	ACHIEVEMENT
Wholesale customer satisfaction	07/08 – 90% 08/09 – 90% 09/10 – 90%	**Target not measured:** The wholesale customer satisfaction survey was delayed this year due to the Wholesale Order Management systems implementation. The survey will be conducted early in the next fiscal. Previous years: 06/07 – 90%, 05/06 – 90%, 04/05 – 84%
Distribution centre accuracy rate	07/08 – 99% 08/09 – 99% 09/10 – 99%	**99%** **Target met:** Random checking of assembled orders indicates a high rate of accuracy with quantity and product match. Previous years: 06/07 – 99%, 05/06 – 99%, 04/05 – 98.5 %
Distribution centre labour cost per case shipped	07/08 – $1.64 08/09 – $1.67 09/10 – $1.69	**$1.67** **Target missed:** Growth in volume and numbers of orders, as well as the effects of weather and power outages in the winter season, has affected the area's performance. A Business Continuity Plan has been put in place for next fiscal year's activities. Previous years: 06/07 – $1.70, 05/06 – $1.58, 04/05 – $1.66
Number of LRSs receiving direct shipment	07/08 – 400 08/09 – 400 09/10 – 400	**355** **Target missed:** The LDB implemented a new wholesale order management system in January 2008. The new system streamlines orders that flow through our distribution network and provides improved services to our wholesale customers (which includes LRSs). This will have a positive impact on this measure for the next fiscal year. Previous years: 06/07 – 308, 05/06 – 207, 04/05 – 97
LDB stores operating costs as a percentage of sales	07/08 – 10.9% 08/09 – 10.9% 09/10 – 10.9%	**9.6%** **Target exceeded:** BC Liquor Stores have improved efficiencies and overall operating costs. This success can be attributed to strong planning on the part of store management. Previous years: 06/07 – 9.9%, 05/06 – 11.1%, 04/05 11.4%
BC Liquor Store sales per square foot	07/08 – $1,467 08/09 – $1,507 09/10 – $1,527	**$1,522** **Target exceeded:** Customer surveys indicate that people rate the BC Liquor Store shopping experience very highly. Sales performance supports this result. Previous years: 06/07 – $1,425, 05/06 – $1,347, 04/05 – $1,309

Goal 5: Public Safety and Social Responsibility

Encourage the responsible use of beverage alcohol.

Performance Highlights

The LDB includes corporate responsibility as a part of its daily operations. Throughout the year, the LDB sponsors or participates in a number of awareness programs and initiatives that further its public safety goals by promoting the responsible use of alcohol in its retail stores. These include:

- Monthly responsible consumption of alcohol messages in stores
- Just Checking! 2-ID
- Support Dry Grad
- Get Home Safe
- Alcohol and Pregnancy

These programs address major areas considered to present risk, including alcohol and pregnancy, drinking and driving, and over-consumption. The LDB's responsible-use initiatives continue to achieve high levels of recognition and respect from the public, employees, suppliers and other liquor jurisdictions and agencies.

Support Dry Grad

Since 2001, the BC Liquor Stores annual Support Dry Grad campaign has raised in excess of $2.3 million for alcohol free graduations events. Customers of BC Liquor Stores are encouraged to donate one dollar or more to support dry graduation celebrations in their communities. In 2008, BC Liquor Stores raised in excess of $625,587, a 30 per cent increase over the previous year.

Share-a-Bear

Since 1989, BC Liquor Stores have offered plush bears for sale to customers in November and December. For every bear purchased by a customer, its "twin" is donated by Liquor Stores to a children's charity. Program success is driven by the stores, with individual stores selecting local charities to support. Beneficiaries include Christmas stocking funds, police and ambulance services, hospitals and other community charities. In 2007, over 30,000 bears were sold—a 13 per cent increase on the previous year.

On June 4, 2007, the LDB won the Retail Council of Canada's Corporate Social Responsibility Initiative Award for the Support Dry Grad and Share-a-Bear programs.

PECSF Campaign

LDB employees' donations to the 2007 Provincial Employee Community Services Fund (PECSF) campaign exceeded $150,000; the highest amount collected to date. Proceeds are raised through employee contributions and special fundraising events, with 100 per cent of the money raised going to a variety of British Columbia charities.

24 Hour Relay for the Kids

Every June since 1995, members of the LDB Beer-O-Crats team have laced up their sneakers to raise funds for the 24 Hour Relay for the Kids, the largest fundraiser of its kind in North America. Funds are raised for the Lions Society's three Easter Seal Camps, which are specially equipped for children with disabilities. In 2007, Beer-O-Crats raised more than $10,000. Many thanks to all the volunteers for their help and runners for their fundraising efforts.

Goal 5: Public Safety and Corporate Responsibility Targets and Results 2007/2008

Encourage the responsible use of beverage alcohol.

Objective

1. Prevent sales to minors or intoxicated persons
2. Increased awareness and promotion of the responsible use of beverage alcohol

Strategy

1. Increased staff education and enforcement of 2-ID program requirements
2. Develop co-operative programs with beverage alcohol suppliers and other stakeholders

PERFORMANCE MEASURE	TARGETS	ACHIEVEMENT
Government liquor store compliance with 2-ID checking policy	07/08 – 100% 08/09 – 100% 09/10 – 100%	**Target not measured:** The Liquor Control and Licensing Branch (LCLB) conducted ID-compliance checking as a two-year pilot project in 2004. In fiscal 2006/07 the LCLB developed the framework and secured funding for a dedicated ongoing program to monitor ID checking in all liquor stores in British Columbia. The program was launched in fiscal 2007/08, and the LCLB will be reporting results in fiscal 2008/09. Previous years: 06/07 – n/a, 05/06 – 69%, 04/05 – 82%
Customer awareness and support of LDB corporate social responsibility programs	07/08 – 90% 08/09 – 90% 09/10 – 90%	**89%** **Target not met:** The LDB customer satisfaction survey has indicated high customer awareness of LDB Corporate Social Responsibility initiatives. The BC Liquor Stores chain is committed to furthering the awareness of these initiatives through staff interaction with customers and marketing campaigns. It is expected this target will be achieved next year. Previous years: 06/07 – 96%, 05/06 – 78%, 04/05 – 70%
In-store responsible-use beverage alcohol programs	07/08 – 12 08/09 – 12 09/10 – 12	**12** **Target met:** One program per month is run in BC Liquor Stores—some are sponsored entirely by the LDB and some are partnership endeavours. Previous years: 06/07 –12, 05/06 – 12, 04/05 – 3

British Columbia Liquor Distribution Branch

2007/2008 FINANCIAL REPORT

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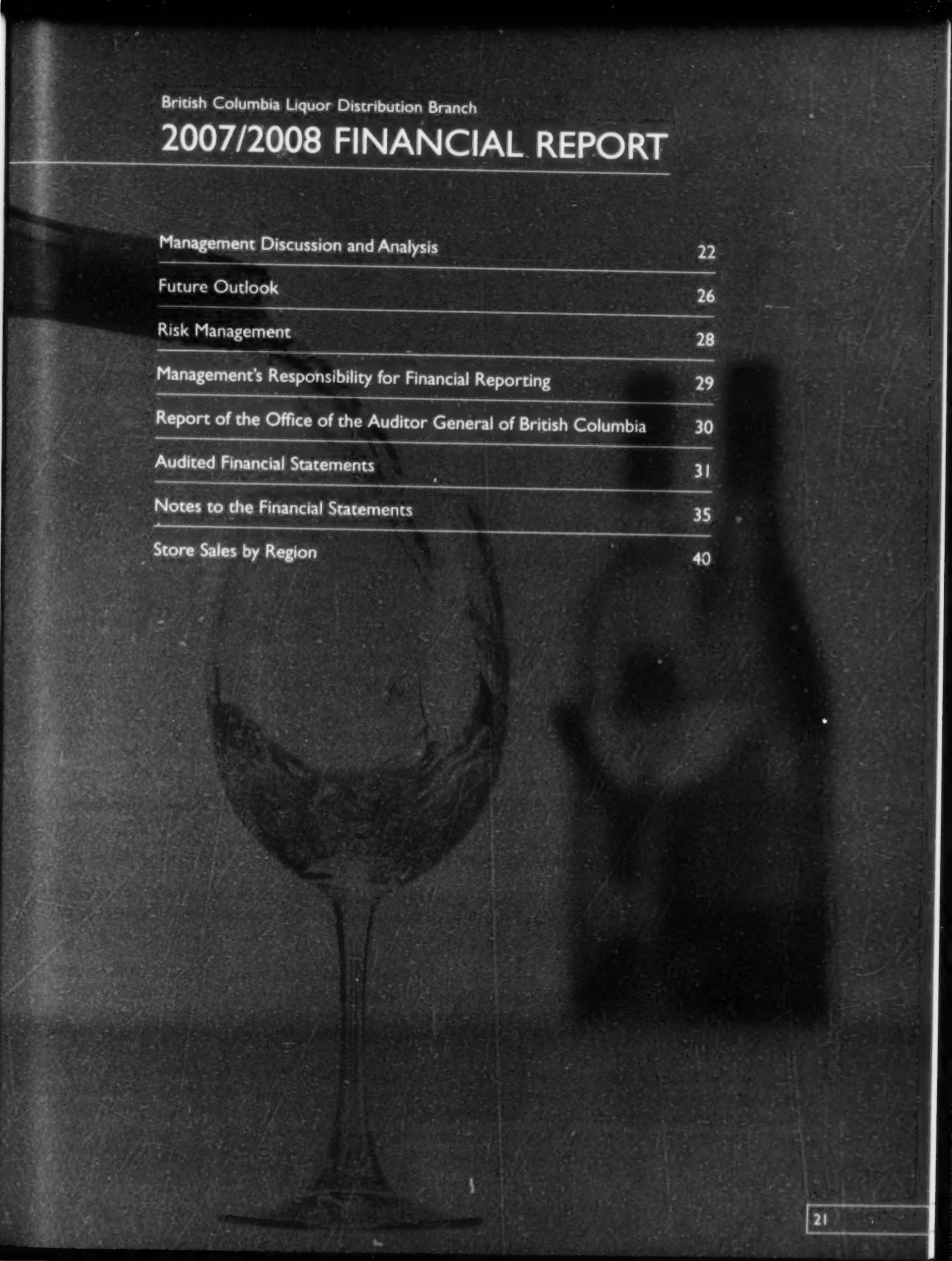


Management Discussion and Analysis

Fiscal 2007/08 was the LDB's 16th consecutive year of sales growth. In comparison to the 2007/08-2009/10 Service Plan target, net income was $857 million, an increase of $17 million over last year and $47 million over the target; gross sales were $2.68 billion, an increase of $170 million over last year and $226 million over the target.

Results of Operations

Key Indices (all $ figures in $000s)

	Actual 2007/08	Budget 2007/08 (1)	Actual 2006/07	Change vs. 2006/07 Actual	Change vs. 2007/08 Budget
Gross Sales	2,679,466	2,453,466	2,509,125	170,341	226,110
Net Income	857,216	810,051	840,286	16,930	47,165
Capital Expenditures	17,681	17,500	22,496	-4,815	181
Gross Margin %	41.17%	43.80%	43.47%	-2.3%	-2.6%
Operating Income to Sales	31.61%	32.79%	33.26%	-1.7%	-1.2%
Operating Expenses to Sales	9.56%	11.01%	10.21%	-0.7%	-1.5%
Net Income to Sales	31.99%	33.02%	33.49%	-1.5%	-1.0%
Inventory Turnover	18.0 times	17.0 times	19.0 times	-1.0 time	1.0 time
Counter Customer Count (000s)	36,914	N/A	37,868	-954	N/A
Average Transaction $ Value	30.22	28.99	28.95	1.27	1.23
FTE Count	2,851	2,658	2,749	102	193

(1) Budget for fiscal 2007/08 does not include Land-Based Winery Sales, the impact of transferring the beverage container stewardship program to industry, and the cancellation of the loyalty program planned for 2007/08.

Gross dollar sales grew in all categories with accompanying volume increases except for special orders and non-alcoholic. The strong provincial economy continues to be a major contributing factor to the sales increases.

Private sector stores, licensee retail stores (LRSs) and agency stores purchase their product from the LDB at discounts ranging from 10 to 30 per cent. During the year, the share of the liquor market accounted for by these outlets increased from 36.4 per cent to 40.5 per cent.

Capital expenditures decreased to $17.7 million from $22.5 million in the previous year. Capital expenditures were related to the implementation of the wholesale order management system, the Enterprise portal and British Columbia Electronic Identification program, as well as ongoing operational capital needs and tenant improvements for government liquor stores.

During fiscal 2007/08, the customer count at government liquor stores (GLSs) declined by 2.5 per cent, or 954,000 customers, due to the increase of 37 private stores and two fewer GLSs. The average retail customer transaction value at GLSs, however, increased from $28.95 to $30.22. This shift can be attributed to both price increases and customers trading up to more premium products.

Operating expenses were 9.6 per cent of sales for the fiscal year, which is 0.65 per cent less than fiscal 2006/07. The reduction in the operating expense ratio is attributable to: efficiencies in the store system through close monitoring of staffing schedules; increased direct distribution to private stores from the distribution centres and private warehouses; the beverage container program being transferred to industry, cancellation of the loyalty program and amortization not realized due to capital expenditure completion timing.

LDB net income as a percentage of sales decreased from 33.49 per cent to 31.99 per cent in the previous year. This decrease is due to the shift in sales from the retail segment (34.0 per cent) to the wholesale segment (30.6 per cent). The segmentation of sales into retail and wholesale is presented below. The retail operations is defined as all counter sales in GLSs and wholesales represents all other sales.

Retail *in millions $*	**Actuals 2007/08**	**%**	**Actuals 2006/07**	**%**	**% Change**
Sales	1,084.9	100.0%	1,071.6	100.0%	1.24%
Cost of Sales	540.2	49.8%	507.3	47.3%	6.49%
Operating Expenses	182.1	16.8%	182.6	17.0%	-0.27%
Other Income	6.4	0.6%	2.9	0.3%	120.38%
Net Income	**369.0**	**34.0%**	**384.6**	**35.9%**	**-4.07%**

Wholesale *in millions $*	**Actuals 2007/08**	**%**	**Actuals 2006/07**	**%**	**% Change**
Sales	1,594.6	100.0%	1,437.5	100.0%	10.93%
Commissions & Discounts	180.0	11.3%	142.1	9.9%	26.64%
Cost of Sales	856.2	53.7%	768.9	53.5%	11.36%
Operating Expenses	73.9	4.6%	73.7	5.1%	0.34%
Other Income	3.8	0.2%	2.8	0.2%	37.25%
Net Income	**488.3**	**30.6%**	**455.6**	**31.7%**	**7.17%**

For the retail segment, the net income as a percentage of sales decreased to 34.0 per cent from 35.9 per cent. This change is due to a slight decline in sales and increased cost of beer products and operating expenses in salaries, repairs and maintenance and bank charges.

For the wholesale segment, the net income as a percentage of sales decreased from 31.7 per cent to 30.6 per cent. The segment experienced an 11 per cent increase in sales, the increased discounts to wholesale customers and increased product cost. The wholesale segment also has a higher proportion of beer sales than the retail segment which results in an overall lower return due to a lower mark-up rate on beer.

Overall inventory turns for the LDB have decreased, from 19.0 to 18.0 times. This change indicates that the average number of days that the LDB holds inventory has increased from 19 to 20 days. Inventory turns at the GLSs went from 15.9 to 15.2 which is the result of a greater assortment of products to service the retail customers. The implementation of the Wholesale Order Management (WOM) system occurred in January 2008. This new system is a tool to assist the LDB in being able to manage inventory levels more efficiently and streamline shipping processes.

Gross sales of $2.7 billion represent an increase of 6.8 per cent over last year or $170 million, and an increase of 9.2 per cent or $226 million over budget. All major product categories experienced both growth in dollar sales and litre-volume with the exception of non-alcoholic and specialty orders over last year. The largest percentage dollar increase was in the wine category at 12.2 per cent or $84 million. Sales in the spirits category increased by $48.0 million or 7.3 per cent. Packaged beer recorded a sales increase of $27.3 million or 3.0 per cent and draught beer was up $7.0 million or 5.7 per cent in dollar sales. Refreshment beverages increased by $5 million or 4.4 per cent. Specialty and non-alcoholic sales were down by $0.67 million or 6.0% from the previous year. Volume sales increased in all major categories except non-alcoholic. The wine category had the largest percentage volume increase at 7.0 per cent over the previous year, followed by spirits at 3.9 per cent, refreshment beverages at 2.6 per cent, and beer at 1.9 per cent. Non-alcoholic volumes decreased by 3.6 per cent.

Overall, imported products had a larger percentage increase in both dollar sales and volume.

Key Financial and Operating Statistics

For the five years ended March 31, 2008 (all dollar figures in $000s)

	Actual 2007/08	Budget 2007/08	Actual 2006/07	Actual 2005/06	Actual 2004/05
Sales	2,679,466	2,453,356	2,509,125	2,318,643	2,208,809
Cost of Sales	1,396,466	1,218,961	1,276,167	1,170,772	1,109,028
Gross Margin	1,103,040	1,074,646	1,090,834	1,022,929	1,008,494
Gross Margin (%)	41.17%	43.8%	43.47%	44.12%	45.66%
Operating Expenses	256,058	270,195	256,302	242,428	240,045
Operating Expenses to Sales (%)	9.56%	11.01%	10.21%	10.46%	10.87%
Operating Income	846,982	804,451	834,532	780,501	768,449
Operating Income to Sales (%)	31.61%	32.79%	33.26%	33.66%	34.79%
Net Income	857,216	810,051	840,286	800,471	778,594
Net Income to Sales (%)	31.99%	33.02%	33.49%	34.52%	35.25%
Inventory Turnover	18.0	17.0	19.0	18.9	17.7

Data source: LDB Oracle Financial System

Direct distributed Land-Based Winery Sales were not included in the budget for fiscal year 2007/08 and previous year's actual results. Due to an identified requirement that the LDB report on these sales, the actual results include $82.3 million in 2007/08, $74.7 million in 2006/07, $69.1 million in 2005/06, and $60.4 million in 2004/05 with an equivalent amount added to the cost of goods sold for each of these years. Actual LDB expenses as a percentage of LDB sales have been adjusted to reflect this change.

Provincial Sales by Source

For the five years ended March 31, 2008 (as a percentage of total dollar sales)

	2007/08	2006/07	2005/06	2004/05	2003/04
Counter Sales					
Government Liquor Stores (%)	40.5%	42.7%	45.3%	49.1%	52.9%
Licensee Retail Stores (%)	32.3%	30.1%	28.0%	24.3%	20.5%
Agency Stores (%)	8.1%	8.3%	7.5%	7.2%	6.8%
Total Counter Sales (%)	80.9%	81.1%	80.8%	80.6%	80.2%
Licensed Establishments	19.1%	18.9%	19.2%	19.4%	19.8%
Total Sales (%)	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**99.9%**

Counter Sales By Source

For the five years ended March 31, 2008 (as a percentage of total dollar sales)

	2007/08	2006/07	2005/06	2004/05	2003/04
Counter Sales					
Government Liquor Stores (%)	50.0%	52.7%	56.0%	60.8%	65.9%
Licensee Retail Stores (%)	39.9%	37.1%	34.7%	30.2%	25.6%
Agency Stores (%)	10.1%	10.2%	9.3%	9.0%	8.5%
Total Counter Sales Market (%)	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**

Data source: LDB Oracle Financial System

Remittances to Government Agencies

For the five years ended March 31, 2008 ($000s)

	2007/08	2006/07	2005/06	2004/05	2003/04
FEDERAL GOVERNMENT					
Custom Duties and Excise Tax	141,303	133,612	127,912	126,905	125,811
Goods and Services Tax	141,481	144,158	150,690	145,201	135,958
Total	**282,784**	**277,770**	**278,602**	**272,106**	**261,769**
PROVINCIAL GOVERNMENT					
LDB Net Income	857,216	840,286	800,471	778,954	726,710
Social Services Tax	111,856	109,244	105,362	108,199	108,089
Total	**969,072**	**949,530**	**905,833**	**887,153**	**834,799**
MUNICIPAL GOVERNMENT					
Property Taxes	5,657	5,592	5,181	4,985	4,702
Total Remittances	**1,257,513**	**1,232,892**	**1,189,616**	**1,164,244**	**1,101,270**

Future Outlook

Management Future Outlook

Sales during the last quarter of fiscal 2007/08 were stronger than expected. For the ensuing fiscal years, overall, volume sales for all product categories are expected to have minimal increases from the levels experienced in fiscal 2007/08. However, dollar sales should increase due to inflationary trends and the shifting of market between product categories. The growth in sales is expected to be realized in both the wholesale and retail segments however a market share shift of two percent from retail to wholesale is projected in fiscal 2008/09. Land-Based winery sales are expected to outperform the estimates built into the projections for fiscal years 2008/09 to 2010/11 by approximately $25 million in each year. This will result in an increase in sales and a corresponding increase in cost of sales for each of those years. Therefore, there will be no impact to Net Income.

The increase in market share by the wholesale sector will result in a lower return on sales.

The effect of negotiated labour costs increase higher rents especially in the urban regions, greater amortization on store improvements due to increased construction costs and increasing credit card charges with increased operation expenses. Operating expenses as a percentage of sales are budgeted at 10.2 per cent.

Financial Outlook

Projected Income, Expenses, Capital Requirements and FTEs (all dollar figures in $millions)

	Budget 2008/09	Forecast 2009/10	Forecast 2010/11
Total Sales	2,671.5	2,728.4	2,775.0
Commissions and Discounts	181.4	189.8	193.0
Cost of Sales	1,368.1	1,399.3	1,425.7
Operating Expenses	271.6	279.7	285.3
Other Income	3.2	3.5	3.5
Net Income	853.6	863.1	874.5
Capital Requirements	20.3	18.6	40.4
FTEs	2,808	2,816	2,821

The LDB has two distinct operations—retail and wholesale. The retail operations covers all counter sales in GLSs and wholesale represent all other sales. An Activity-Based Costing analysis between the retail and wholesale operations, which allocates expenses between the two operations, was done based on activities in fiscal 2006/07. This analysis will be updated each year based on the previous fiscal year's activity. The segmented information provided below allocates the Financial Outlook into the retail and wholesale streams.

Summary Financial Outlook

(in $millions)	Actual Fiscal 2006/07	Actual Fiscal 2007/08	Projection Fiscal 2008/09	Projection Fiscal 2009/10	Projection Fiscal 2010/11
Retail					
Total Sales	1,071.6	1,084.9	1,099.5	1,094.2	1,112.8
Cost of Sales	507.3	540.2	528.8	526.3	535.2
Operating Expenses	182.6	182.1	193.4	199.1	203.1
Other Income	2.9	6.4	1.6	1.8	1.8
Net Income	384.6	369.0	378.9	370.6	376.3

Summary Financial Outlook

(in $millions)	Actual Fiscal 2006/07	Actual Fiscal 2007/08	Projection Fiscal 2008/09	Projection Fiscal 2009/10	Projection Fiscal 2010/11
Wholesale					
Total Sales	1,437.5	1,594.6	1,572.0	1,634.2	1,662.2
Commissions and Discounts	142.1	180.0	181.4	189.8	193.0
Cost of Sales	768.9	856.2	839.3	873.0	890.5
Operating Expenses	73.7	73.9	78.2	80.6	82.2
Other Income	2.8	3.8	1.6	1.7	1.7
Net Income	455.6	488.3	474.7	492.5	498.2

Key Forecast Assumptions

Forecast assumptions, based on market trends by product categories, include sales increases of 2.5 per cent, 2.1 per cent and 1.7 per cent over the next three years.

Commissions and discounts increase assumes a 2.0 per cent market share shift to private outlets in 2008/09, an additional 1.3 per cent shift in 2009/10 and unchanged in 2010/11.

Capital requirements reflect expenditures for updating and improving stores, technology-related projects and ongoing equipment replacement. The increase in capital requirements for 2010/11 reflects funding for the replacement of the Point of Sale (POS) system in the GLS.

Risk Management

The LDB Executive Management Committee meets monthly to discuss service plan performance, risks and mitigating strategies.

RISK FACTORS AND SENSITIVITIES	MITIGATING STRATEGIES
Liquor is a discretionary consumer product and an unexpected downturn in the economy could negatively affect LDB sales projections.	The LDB carefully monitors sales and will make necessary adjustments to sales strategies and operating expenses in order to achieve net income targets.
Liquor sales are negatively impacted by poor weather.	The LDB carefully monitors sales and will make necessary adjustments to sales strategies and operating expenses in order to achieve net income targets.
Liquor is a high-value product and is susceptible to illicit activity such as cross-border smuggling and theft.	The LDB works with appropriate municipal, provincial and federal enforcement agencies to identify and address illicit activity.
Shifts in sales from LDB stores to private stores increase the cost of discounts applied to private store purchases.	The LDB carefully monitors discount costs and will make necessary adjustments to sales strategies and operating expenses.
Unforeseen events such as natural disasters may disrupt business at any time.	The LDB is continually improving upon and testing its Business Continuity Plan.
A number of knowledgeable, experienced employees are reaching retirement age.	The LDB is developing succession plans for key positions and continuing to provide necessary on-the-job training.

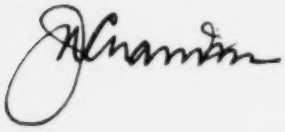
During the fiscal year, the LDB commenced an Enterprise Wide Risk Assessment in order to ensure that all major risks, financial and non-financial are identified and ranked. As at fiscal year end, the LDB was completing the final stages of the Risk assessment and the results will be incorporated in the 2009/10 to 2011/12 Service Plan.

Management's Responsibility for Financial Reporting

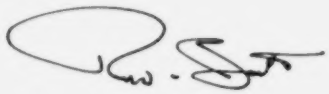
The financial statements of the British Columbia Liquor Distribution Branch have been prepared by management in accordance with Canadian generally accepted accounting principles. Any financial information contained elsewhere in the annual report has been reviewed to ensure consistency with the financial statements.

Management is responsible for the integrity of the financial statements and has established systems of internal control to provide reasonable assurance that assets are safeguarded, transactions are properly authorized and financial records are properly maintained to facilitate the preparation of financial statements in a timely manner.

The Office of the Auditor General of British Columbia has performed an independent audit of the financial statements of the Liquor Distribution Branch. The Auditor's Report outlines the scope of this independent audit and expresses an opinion on the financial statements of the Liquor Distribution Branch.



Jay Chambers
General Manager



Roger M. Bissoondatt, CA, CMA
Executive Director, Finance

Vancouver, British Columbia
June 11, 2008

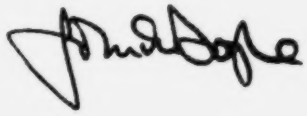
Report of the Auditor General of British Columbia

To the Minister of Public Safety and Solicitor General
Province of British Columbia:

I have audited the balance sheet of the *British Columbia Liquor Distribution Branch* as at March 31, 2008 and the statements of operations, advance due from Province of British Columbia and cash flows for the year then ended. These financial statements are the responsibility of the Branch's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In my opinion, these financial statements present fairly, in all material respects, the financial position of the *British Columbia Liquor Distribution Branch* as at March 31, 2008 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.



Victoria, British Columbia
May 23, 2008

John Doyle, MBA, CA
Auditor General

Audited Financial Statements

British Columbia Liquor Distribution Branch

Balance Sheet

(in $000s)

As at March 31,	2008	2007
ASSETS		
CURRENT ASSETS		
Cash	--	5,120
Accounts receivable	6,544	4,779
Inventories	83,301	72,786
Prepaid expenses (note 3)	7,532	5,709
Due from Province of British Columbia	34,976	29,208
	132,353	117,602
CAPITAL ASSETS (note 4)	50,976	43,120
	183,329	**160,722**
LIABILITIES		
CURRENT LIABILITIES		
Bank indebtedness	22,647	--
Accounts payable and accrued liabilities	157,952	157,327
Current portion of deferred tenant allowances (note 6)	119	69
Current portion of tenant improvement loans (note 7)	601	705
Current portion of capital lease (note 8)	200	461
	181,519	158,562
LONG TERM LIABILITIES		
Deferred tenant allowances (note 6)	613	283
Tenant improvement loans (note 7)	1,017	1,618
Obligation under capital lease (note 8)	180	259
	183,329	**160,722**

Commitments and contingent items (notes 9 & 10)

Jay Chambers
General Manager

Roger M. Bissoondatt, CA, CMA
Executive Director, Finance

The accompanying notes and supplementary schedules are an integral part of these financial statements.

Statement of Operations

(in $000s)

Year Ended March 31,	2008	2007
		Restated (note 13)
Sales (note 5)	2,679,466	2,509,125
Less commissions & discounts	179,960	142,124
	2,499,506	2,367,001
Cost of merchandise sold	1,396,466	1,276,167
Gross margin	1,103,040	1,090,834
Operating expenses (schedule)	256,058	256,302
	846,982	834,532
Other income	10,234	5,754
Net income	**857,216**	**840,286**

Statement of Advance Due from Province of British Columbia

(in $000s)

Year Ended March 31,	2008	2007
Balance beginning of year	29,208	41,807
Net Income	(857,216)	(840,286)
Payments to Province of British Columbia	862,985	827,687
Balance end of year	**34,976**	**29,208**

The accompanying notes and supplementary schedules are an integral part of these financial statements.

Statement of Cash Flows

(in $000s)

Year Ended March 31,	2008	2007
CASH FLOWS FROM OPERATING ACTIVITIES		Restated (note 13)
Cash receipts from customers	2,417,851	2,309,467
Cash payments to Provincial Treasury	(862,985)	(827,687)
Cash paid to suppliers and employees	(1,574,421)	(1,446,499)
Cash receipts from other income	10,045	5,629
Interest paid on capital lease and loans	(232)	(337)
CASH FLOWS (USED IN) FROM OPERATING ACTIVITIES	(9,742)	40,572
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of capital assets excluding capital projects	(17,431)	(16,950)
Acquisition of capital project assets	(217)	(5,546)
Proceeds from disposal of capital assets	192	126
CASH FLOWS (USED IN) INVESTING ACTIVITIES	(17,456)	(22,370)
CASH FLOWS FROM FINANCING ACTIVITIES		
Deferred tenant allowances	477	107
Payment on capital lease	(341)	(263)
Tenant improvement loans	(705)	(1,164)
CASH FLOWS (USED IN) FINANCING ACTIVITIES	(569)	(1,320)
NET (DECREASE) INCREASE IN CASH	(27,767)	16,882
CASH (BANK INDEBTEDNESS) BEGINNING OF YEAR	5,120	(11,762)
(BANK INDEBTEDNESS) CASH END OF YEAR	**(22,647)**	**5,120**

The accompanying notes and supplementary schedules are an integral part of these financial statements.

Schedule of Operating Expenses

(in $000s)

Year Ended March 31,	2008	2007
Salaries, wages and benefits (note 11)	151,396	144,753
Rents	30,944	30,557
Bank charges	16,255	14,095
Amortization	9,790	7,703
Freight to stores	7,976	7,187
Repairs and maintenance	7,295	6,153
Other operating expenses	6,343	4,898
Professional services	4,988	6,450
Merchandising	4,024	3,329
Data processing	3,929	3,229
Telephone	3,262	3,479
Light, water and fuel	2,626	2,624
Stationery and supplies	2,456	2,957
Loss prevention	2,322	2,331
Warehouse equipment costs	1,234	1,287
Travel	986	956
Interest on long term liabilities	232	337
Beverage container costs	-	13,977
	256,058	**256,302**

The accompanying notes and supplementary schedules are an integral part of these financial statements.

Notes to the Financial Statements

March 31, 2008
(Tabular amounts in $000s)

1. PURPOSE OF THE BRANCH

The British Columbia Liquor Distribution Branch (LDB) obtains its authority for operation from the *British Columbia Liquor Distribution Act (Act)*. As stated in Section 2 of this *Act*, the LDB has the exclusive right to purchase liquor for resale and reuse in the Province in accordance with the provisions of the Importation of *Intoxicating Liquors Act (Canada)*.

2. SIGNIFICANT ACCOUNTING POLICIES

As prescribed by Section 30(3)(b) of the *Act*, the financial statements of the LDB are prepared in accordance with Canadian generally accepted accounting principles.

Significant accounting policies are as follows:

Inventories

The stores inventories are valued at cost on a first in first out basis, with cost comprising of supplier invoiced value, freight, duties and taxes. With the implementation of the Wholesale Order Management System in the current year, the warehouse inventories changed from the first in first out basis to a weighted average cost comprising of supplier invoiced value, freight, duties and taxes. The change in policy had no significant impact on the value of the inventory.

Capital Assets

Capital assets are stated at historical cost and are amortized on a straight line basis as follows:

Buildings

7.5 per cent per annum.

Leasehold improvements

A minimum of 10 per cent per annum or a rate sufficient to amortize the cost over the remaining life of the respective lease.

Furniture, fixtures, vehicles and equipment

25 per cent per annum.

Information Systems

25 per cent per annum.

Leasehold improvements and capital projects

All material costs of construction and development for leasehold improvements and capital projects are treated as assets under Construction in Process accounts. At the point in time when the project is substantially completed the costs are capitalized into their applicable categories and amortized at the asset category rate.

Leases

Assets recorded as capital leases are capitalized and amortized at the applicable asset category rate. All other leases are accounted for as operating leases wherein rental payments are expensed as incurred.

2. SIGNIFICANT ACCOUNTING POLICIES *continued*

Related Party Transactions

The LDB is related through common ownership to all Province of British Columbia ministries, agencies and Crown corporations. Transactions with these entities, as well as other transactions in which Provincial Government intervention is a component, are generally considered to be in the normal course of operations and are recorded at the exchange amount, unless disclosed separately in these financial statements.

Revenue Recognition

Revenue is recognized when the sale of product is made to customers.

Use of Estimates

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from these estimates.

Changes in Accounting Policies - Financial Instruments

On April 1, 2007 the LDB adopted three new accounting standards that were issued by the CICA: Section 1530, Comprehensive Income, Section 3855 Financial Instruments – Recognition and Measurement and Section 3861, Financial Instruments – Disclosure and Presentation. The adoption of these new standards did not have any material impact on net income.

Section 1530, Comprehensive Income provides guidance in the reporting of comprehensive income and other comprehensive income. Comprehensive income comprises net income and other comprehensive income (OCI). OCI represents changes in shareholder's equity in a period arising from transactions and changes in the fair value of available-for-sale securities and the effective portion of cash flow hedging instruments. The LDB did not have any OCI transactions or opening or closing balances for accumulated other comprehensive income or loss.

Section 3855, Financial Instruments - Recognition and Measurement requires that all financial assets must be classified as held-to-maturity, loans and receivables, held-for-trading or available-for-sale and all financial liabilities must be classified as held-for-trading or other financial liabilities. Financial instruments classified as held-for-trading will be measured at fair value with changes in fair value recognized in net income. Financial assets classified as held-to-maturity or as loans and receivables and financial liabilities not classified as held-for-trading will be measured at amortized cost. This accounting policy was adopted on a prospective basis with no restatement of prior period financial statements.

The Liquor Distribution Branch has designated its Financial Instruments as follows:

Cash is classified as held for trading and measured at fair value. Accounts receivable are classified as loans and receivables, and are measured at amortized cost. Bank Indebtedness, accounts payable and accrued liabilities are classified as other financial liabilities and are also measured at amortized cost.

Future Accounting Standards

In March 2007, the CICA issued Handbook Section 3031, Inventories, which has replaced Section 3030 with the same title. This revision aligns Canadian GAAP with International Financial Reporting Standards. It establishes four basic principles: inventory should be measured at the lower of cost and net realizable value; the cost of inventory includes costs directly attributable to its acquisitions as well as an appropriate portion of fixed and variable production overheads; if the units in inventory are interchangeable, their cost should be determined using either a first-in-first-out

or weighted average cost formula; and write-downs of inventory to its net realizable value should be reversed if the value subsequently recovers. This section applies to interim and annual financial statements for years beginning on or after January 1, 2008. The impact of this new standard has not been determined on the financial statements.

In December 2006, the CICA issued two new accounting standards on financial instruments: Section 3862 Financial Instruments—Disclosures, and Section 3863 Financial Instruments—Presentation, that revise and enhance the current disclosure requirements but do not change the existing presentation requirements for financial instruments. The standards are effective for fiscal years beginning on or after October 1, 2007. The new disclosures will provide additional information on the nature and extent of risks arising from financial instruments to which the LDB is exposed and how it manages those risks.

3. PREPAIDS

Prepaid expenses include wine purchases and purchasing cards. The LDB, as part of their ongoing business practice, purchases select products in advance to secure delivery of these products up to three years in advance. The LDB has recorded $7.6 million of prepaid wine futures that represents $6.2 million for 2008/09 and $1.4 million for 2009/10. At year end, purchasing cards had a credit of $117,000 which was offset by the prepaid expenses. In addition to the prepayments, the LDB has a commitment of $50,000 for wine purchases to be delivered in 2009/10.

4. CAPITAL ASSETS

	2008			2007
	Cost	Accumulated Amortization	Net Book Value	Net Book Value
Land	1,068	--	1,068	1,068
Buildings	18,429	17,611	818	1,301
Leasehold improvements	41,523	19,918	21,605	16,291
Furniture, fixtures, vehicles & equipment	22,048	17,021	5,027	2,689
Office furnishings under capital lease	3,750	3,630	120	242
Information systems	75,098	66,143	8,955	6,398
Construction in process	13,383	--	13,383	15,131
	175,299	**124,323**	**50,976**	**43,120**

5. SALES

Total sales reported include sales to retail customers, licensed establishments, licensee retail stores and agency stores. These amounts do not include subsequent resale by licensed establishments, licensee retail stores and agency stores.

Year Ending March 31		2008		2007 Restated (note 13)
Retail customers	$	1,084,901	$	1,071,651
Licensee retail stores		864,384		755,920
Agency stores		219,280		207,683
Licensed establishments		510,901		473,871
	$	**2,679,466**	**$**	**2,509,125**

6. DEFERRED TENANT ALLOWANCES

Certain leasing agreements include incentives or landlord funding to be used towards expenditures such as tenant improvements or relocation expenses. The value of these benefits are recorded and amortized over the term of the lease.

Year Ending March 31		
	2009	119
	2010	96
	2011	85
	2012	85
	2013	85
	Subsequent years	262
		732
	Current portion	(119)
	Long term	**613**

7. TENANT IMPROVEMENT LOANS

As at March 31, 2008, the LDB has tenant improvements loans of $1.6 million financed through landlords. The range of interest rates is 4.25% to 11.75% with loans expiring from July 2008 to June 2014. The Principal payments due are as follows:

Year Ending March 31		
	2009	601
	2010	436
	2011	361
	2012	158
	2013	31
	Subsequent years	31
		1,618
	Current portion	(601)
	Long term	**1,017**

8. OBLIGATIONS UNDER CAPITAL LEASES

In the fiscal year 1994, the LDB entered into a 15-year capital lease for certain head office tenant improvements and office furnishings. The following schedule includes the future minimum lease payments under that capital lease expiring July 31, 2008, together with the balance of the obligation under that capital lease. The schedule also includes information on additional capital leases for vehicles and operating equipment.

		Head Office	Vehicles	Equipment	Total
Year ending March 31	2009	158	31	34	223
	2010	--	22	30	52
	2011	--	24	--	24
	2012	--	25	--	25
	2013	--	27	--	27
	Subsequent years	--	52	--	52
	Total	158	181	64	403
	Imputed interest rate	10%	9%	9%	
	Interest	(3)	(14)	(6)	(23)
	Current portion	(155)	(17)	(28)	(200)
	Long term	**0**	**150**	**30**	**180**

9. COMMITMENTS

Future commitments for operating leases for LDB premises and equipment are as follows:

Year Ending March 31		
	2009	20,769
	2010	17,843
	2011	14,970
	2012	11,808
	2013	9,782
	Subsequent years	23,062
		98,234

Government Liquor Store Fees

In the current year, the LDB entered into an agreement with the Liquor Control Licensing Branch (LCLB) to provide the LCLB a fee in the amount of $1,400 per Government Liquor store, on an annual basis. This amount is subject to an adjustment relative to the number of government liquor stores in operation. The term of this agreement is for five years. For the remaining four years, the LDB is required to pay an amount of $278,000 in fees (based on 199 stores) plus $66,000 administration cost each year.

10. CONTINGENT ITEMS

The LDB has authorized suppliers' agents to import and warehouse liquor for subsequent purchase by the LDB. Under this program, the LDB has a contractual obligation to purchase all inventories held by the agent should the agent opt out of the program. As at March 31, 2008, the value of agents' inventories totalled approximately $77.8 million (2007 - $66.1 million) and the future liability for related federal excise taxes is $13.6 million (2007 - $12.9 million).

The LDB is the defendant in legal actions and it is not expected that the ultimate outcome of these claims will have a material effect on the financial position of the corporation.

11. EMPLOYEES' BENEFIT PLANS

The LDB and its employees contribute to the Public Service Pension Plan (The Plan). The Plan is a multi-employer defined benefits pension plan. Under joint trusteeship, unfunded liability or surplus is shared between the employers and the plan members and will be reflected in their future contributions. The board of trustees, representing plan members and employers, is responsible for overseeing the management of the pension plan, including investment of the assets and administration of benefits.

Every three years an actuarial valuation is performed to assess the financial position of the plan and the adequacy of plan funding. The latest valuation as at March 31, 2005 indicated an unfunded liability of $767 million for basic pension benefits. The next valuation will be as at March 31, 2008 with results available in early 2009. The actuary does not attribute portions of the unfunded liability to individual employers. The LDB paid $10.1 million for the employer contributions to the plan in fiscal 2007/08.

Employees are also entitled to specific retirement benefits as provided for under collective agreements and terms of employment. The future liability for this obligation amounts to $9,692,516 (2007 – $9,346,532), which represents future employees' retirement benefits outside of The Plan, and is included in Accounts Payable. The expense adjustment recorded in the year is $345,984 (2007 - $2,029,872).

12. FINANCIAL INSTRUMENTS

The LDB's financial instruments include cash, accounts receivable, bank indebtedness, accounts payable and accrued liabilities.

It is management's opinion that the LDB is not exposed to significant interest, currency, liquidity or credit risks arising from these financial instruments.

13. COMPARATIVE FIGURES

The prior year financial statements have been restated to include the Land-Based Winery Sales and the reclassification of the VQA Support Program costs for comparative purposes to conform with the presentation in the current year's financial statements. The inclusion of the Land-Based Winery Sales increased the 2006/07 sales by $74.7 million, increased cost of merchandise sold by $69.7 million, and increased commissions and discounts by $5.0 million. The reclassification of the 2006/07 expenditures for the VQA Support Program increased costs of merchandise sold by $8.8 million with a corresponding decrease in commissions and discounts for the same amount. Accordingly, the net effect of these changes in the financial statements for the prior year reflected an increase in sales of $74.7 million, a decrease in commissions and discounts of $3.8 million, and an increase in cost of merchandise sold of $78.5 million.

The cash flow statement for the prior year has been reclassified to conform with the presentation in the current year for the VQA Support Program. The actual results increase the cash receipts from customer by $8.8 million and offset by an increase in cash paid to suppliers and employees by the same amount. There was no impact on the cash flow statement for the inclusion of the Land-Based Winery Sales.

Store Sales by Region – UNAUDITED

		Sales		Litre Product Mix				Litre Product Mix Percentage			
Store Name	Store Number	Retail $	Litres	Spirits	Wine	Beer	Ciders /Coolers	Spirits	Wine	Beer	Ciders /Coolers
VANCOUVER ISLAND/COAST											
Alert Bay	225	495,058	80,811	5,006	10,550	50,120	15,135	6.2%	13.1%	62.0%	18.7%
Bella Coola	232	1,214,697	187,600	14,704	20,395	138,910	13,592	7.8%	10.9%	74.0%	7.2%
Campbell River Stores											
Campbell River	5	12,176,673	1,242,207	196,100	301,657	638,787	105,663	15.8%	24.3%	51.4%	8.5%
Willow Point	185	2,983,642	427,179	37,930	70,021	291,977	27,251	8.9%	16.4%	68.4%	6.4%
Chemainus	206	2,108,714	292,311	25,222	58,428	188,911	19,750	8.6%	20.0%	64.6%	6.8%
Comox	235	5,933,059	624,799	87,694	191,737	298,261	47,107	14.0%	30.7%	47.7%	7.5%
Courtenay	10	15,431,992	1,705,986	215,129	440,847	885,816	164,194	12.6%	25.8%	51.9%	9.6%
Cumberland	8	1,242,867	174,093	17,023	21,938	118,065	17,066	9.8%	12.6%	67.8%	9.8%
Duncan	12	9,976,646	1,172,417	139,299	262,209	646,023	124,886	11.9%	22.4%	55.1%	10.7%
Gabriola Island	134	2,082,144	253,221	23,052	68,454	143,922	17,793	9.1%	27.0%	56.8%	7.0%
Ganges	204	5,717,097	569,952	59,296	201,037	277,168	32,451	10.4%	35.3%	48.6%	5.7%
Gold River	55	891,080	143,233	10,551	10,400	113,520	8,761	7.4%	7.3%	79.3%	6.1%
Ladysmith	24	4,333,631	559,065	60,497	113,921	341,695	42,952	10.8%	20.4%	61.1%	7.7%
Lake Cowichan	67	2,924,884	446,132	36,026	51,064	328,736	30,306	8.1%	11.4%	73.7%	6.8%
Mill Bay	173	5,143,060	583,573	68,735	143,224	330,109	41,505	11.8%	24.5%	56.6%	7.1%
Nanaimo Stores											
Nanaimo Harbour	33	5,663,908	653,604	82,306	151,545	359,546	60,206	12.6%	23.2%	55.0%	9.2%
Nanaimo Longwood	188	6,991,109	772,142	89,581	227,800	414,442	40,319	11.6%	29.5%	53.7%	5.2%
Nanaimo Terminal	243	18,833,646	1,785,773	313,817	481,036	814,065	176,855	17.6%	26.9%	45.6%	9.9%
Parksville Stores											
Parksville	42	6,386,720	725,724	74,411	214,377	401,163	35,773	10.3%	29.5%	55.3%	4.9%
Parksville North	157	7,073,514	810,230	100,548	205,912	421,835	81,934	12.4%	25.4%	52.1%	10.1%
Pender Island	155	2,031,283	234,052	18,544	65,868	131,366	18,274	7.9%	28.1%	56.1%	7.8%
Port Alberni	40	8,143,537	1,161,594	106,708	180,517	792,127	82,242	9.2%	15.5%	68.2%	7.1%
Port Alice	128	731,832	113,052	8,592	9,760	88,666	6,034	7.6%	8.6%	78.4%	5.3%
Port Hardy	236	4,131,375	623,822	50,997	75,655	433,158	64,012	8.2%	12.1%	69.4%	10.3%
Port McNeill	115	3,231,382	429,128	44,946	63,662	277,370	43,150	10.5%	14.8%	64.6%	10.1%
Powell River	41	8,830,226	1,005,989	136,253	233,888	517,205	118,644	13.5%	23.2%	51.4%	11.8%
Qualicum	34	6,272,522	714,587	81,026	214,976	376,070	42,515	11.3%	30.1%	52.6%	5.9%
Sidney	50	10,155,050	1,086,770	111,347	377,244	539,176	59,004	10.2%	34.7%	49.6%	5.4%
Sooke	229	3,885,975	517,797	48,539	97,107	334,689	37,462	9.4%	18.8%	64.6%	7.2%
Tahsis	56	131,204	18,788	1,890	2,222	13,758	918	10.1%	11.8%	73.2%	4.9%
Tofino	118	4,026,582	447,459	44,632	84,405	292,836	25,586	10.0%	18.9%	65.4%	5.7%
Ucluelet	216	2,109,074	304,891	22,226	42,564	223,611	16,490	7.3%	14.0%	73.3%	5.4%
Victoria (Greater) Stores											
Trafalgar Square	59	5,413,868	665,559	60,113	168,401	400,475	36,570	9.0%	25.3%	60.2%	5.5%
Esquimalt	68	2,383,576	339,313	28,465	61,275	226,773	22,799	8.4%	18.1%	66.8%	6.7%
Gorge and Tillicum	124	8,314,132	1,124,168	105,258	208,390	726,913	83,607	9.4%	18.5%	64.7%	7.4%
Victoria Westshore	125	14,717,828	1,716,250	181,791	377,973	1,038,376	118,110	10.6%	22.0%	60.5%	6.9%
Cedar Hill	140	5,277,683	593,068	61,823	187,282	313,433	30,530	10.4%	31.6%	52.8%	5.1%
James Bay	150	4,064,920	466,829	45,131	144,115	253,816	23,767	9.7%	30.9%	54.4%	5.1%
Blanshard Square	161	7,217,743	949,224	83,163	189,856	615,372	60,834	8.8%	20.0%	64.8%	6.4%
Fairfield	178	5,203,717	540,522	47,267	211,168	258,207	23,880	8.7%	39.1%	47.8%	4.4%
Broadmead Village	181	7,236,137	705,249	81,890	257,990	323,867	41,502	11.6%	36.6%	45.9%	5.9%
Victoria Bay Centre	184	1,009,598	114,118	12,832	25,468	65,113	10,705	11.2%	22.3%	57.1%	9.4%
Fort Street	218	19,902,097	1,768,518	160,650	650,141	879,280	78,447	9.1%	36.8%	49.7%	4.4%
Government Street	231	36,930,270	2,684,813	655,357	842,439	779,445	407,573	24.4%	31.4%	29.0%	15.2%
Saanich	242	5,265,973	643,469	59,441	170,608	376,387	37,033	9.2%	26.5%	58.5%	5.8%

Store Name	Store Number	Sales		Litre Product Mix				Litre Product Mix Percentage			
		Retail $	Litres	Spirits	Wine	Beer	Ciders /Coolers	Spirits	Wine	Beer	Ciders /Coolers
MAINLAND/SOUTHWEST											
Abbotsford Stores											
Abbotsford Village	189	8,620,060	973,106	109,855	247,883	552,829	62,540	11.3%	25.5%	56.8%	6.4%
Abbotsford	149	11,106,303	1,131,963	162,258	297,373	611,445	60,887	14.3%	26.3%	54.0%	5.4%
Agassiz	64	3,571,115	398,119	58,071	81,924	211,075	47,050	14.6%	20.6%	53.0%	11.8%
Burnaby Stores											
Lougheed Plaza	77	11,501,189	1,346,237	155,532	305,338	818,435	66,932	11.6%	22.7%	60.8%	5.0%
Brentwood	187	4,502,008	527,345	53,363	120,054	328,817	25,111	10.1%	22.8%	62.4%	4.8%
South Burnaby	203	6,460,127	806,120	78,406	177,783	514,169	35,762	9.7%	22.1%	63.8%	4.4%
North Burnaby	217	8,625,274	1,098,466	88,326	251,345	711,003	47,792	8.0%	22.9%	64.7%	4.4%
Highgate	220	13,570,094	1,583,947	152,009	353,200	1,009,993	68,745	9.6%	22.3%	63.8%	4.3%
Chilliwack Stores											
Chilliwack	7	9,739,625	1,215,922	145,577	219,064	751,523	99,757	12.0%	18.0%	61.8%	8.2%
Sardis	170	9,474,500	1,183,471	132,747	246,225	719,262	85,238	11.2%	20.8%	60.8%	7.2%
Coquitlam Stores											
Como Lake	153	5,589,014	681,885	59,086	172,970	419,668	30,160	8.7%	25.4%	61.5%	4.4%
Austin Road	200	7,128,827	914,707	90,232	190,875	591,908	41,691	9.9%	20.9%	64.7%	4.6%
Delta Stores											
Ladner	25	8,628,207	1,016,243	100,531	280,953	585,318	49,441	9.9%	27.6%	57.6%	4.9%
Tsawwassen	98	8,566,518	910,760	79,927	332,760	466,711	31,362	8.8%	36.5%	51.2%	3.4%
Scottsdale	145	10,598,196	1,133,956	183,280	244,807	656,850	49,019	16.2%	21.6%	57.9%	4.3%
Gibson	80	6,762,676	825,798	76,243	206,382	496,483	46,691	9.2%	25.0%	60.1%	5.7%
Hope	71	3,647,497	523,417	52,831	59,623	367,644	43,319	10.1%	11.4%	70.2%	8.3%
Langley Stores											
Aldergrove	109	7,692,180	1,072,496	103,584	163,344	745,252	60,315	9.7%	15.2%	69.5%	5.6%
Fort Langley	127	2,415,241	335,420	25,667	60,532	230,365	18,856	7.7%	18.0%	68.7%	5.6%
Langley	158	22,100,319	2,400,898	266,832	626,456	1,364,320	143,290	11.1%	26.1%	56.8%	6.0%
Walnut Grove, Langley	186	6,565,454	783,012	77,363	195,459	467,637	42,554	9.9%	25.0%	59.7%	5.4%
Lillooet	23	2,092,738	300,469	27,144	32,701	205,319	35,305	9.0%	10.9%	68.3%	11.7%
Madeira Park	93	2,565,036	316,284	29,072	72,388	190,333	24,491	9.2%	22.9%	60.2%	7.7%
Maple Ridge	65	10,010,498	1,229,714	142,335	260,925	750,212	76,242	11.6%	21.2%	61.0%	6.2%
Mission Plaza	27	10,694,691	1,332,588	166,933	217,509	831,153	116,993	12.5%	16.3%	62.4%	8.8%
New Westminster Stores											
New Westminster	31	10,636,438	1,310,162	148,138	246,073	835,919	80,032	11.3%	18.8%	63.8%	6.1%
Royal Square	97	5,690,678	693,543	72,218	168,821	417,476	35,027	10.4%	24.3%	60.2%	5.1%
North Vancouver Stores											
North Van. Westview	107	13,350,262	1,471,404	126,173	441,087	841,798	62,346	8.6%	30.0%	57.2%	4.2%
Dollarton	133	6,768,325	720,831	57,903	251,776	381,440	29,712	8.0%	34.9%	52.9%	4.1%
Capilano Mall	152	9,097,866	981,492	99,727	325,664	495,240	60,861	10.2%	33.2%	50.5%	6.2%
North Vancouver Esplanade	196	5,889,243	707,615	57,947	174,908	443,919	30,841	8.2%	24.7%	62.7%	4.4%
Lynn Valley	247	12,087,370	1,372,349	117,855	424,479	761,207	68,808	8.6%	30.9%	55.5%	5.0%
Pemberton	101	3,203,541	516,812	25,722	55,969	398,794	36,328	5.0%	10.8%	77.2%	7.0%
Pitt Meadows	165	13,608,937	1,522,764	174,832	371,573	876,913	99,446	11.5%	24.4%	57.6%	6.5%
Port Coquitlam Stores											
Nicola Station	89	9,686,766	1,160,927	107,376	260,517	727,097	65,937	9.2%	22.4%	62.6%	5.7%
Westwood Centre	163	21,966,452	2,370,986	256,648	589,118	1,406,591	118,629	10.8%	24.8%	59.3%	5.0%
Port Moody	205	5,398,561	637,171	62,248	168,477	366,620	39,826	9.8%	26.4%	57.5%	6.3%
Richmond Stores											
Richmond Brighouse	76	12,514,230	1,368,755	129,220	353,942	844,904	40,689	9.4%	25.9%	61.7%	3.0%
Richmond Ironwood	120	11,748,995	1,207,665	126,551	354,785	673,420	52,910	10.5%	29.4%	55.8%	4.4%
Richmond SeaFair	244	9,271,623	1,051,851	105,306	302,990	601,833	41,722	10.0%	28.8%	57.2%	4.0%

Store Name	Store Number	Sales		Litre Product Mix				Litre Product Mix Percentage			
		Retail $	Litres	Spirits	Wine	Beer	Ciders /Coolers	Spirits	Wine	Beer	Ciders /Coolers
Sechelt	230	6,698,519	778,101	76,813	215,890	446,610	38,787	9.9%	27.7%	57.4%	5.0%
Squamish	208	8,359,903	1,056,884	93,284	190,326	707,573	65,701	8.8%	18.0%	66.9%	6.2%
Surrey Stores											
Cloverdale	70	9,530,696	1,097,301	149,865	219,283	642,005	86,148	13.7%	20.0%	58.5%	7.9%
Ocean Park	110	6,972,046	693,936	65,622	257,008	343,714	27,591	9.5%	37.0%	49.5%	4.0%
Whalley	122	8,467,896	1,195,331	130,445	128,362	851,091	85,432	10.9%	10.7%	71.2%	7.1%
Kings Cross	172	12,127,394	1,327,286	241,660	191,010	824,100	70,516	18.2%	14.4%	62.1%	5.3%
Fleetwood	182	15,070,117	1,691,559	226,022	321,471	1,063,717	80,348	13.4%	19.0%	62.9%	4.7%
Peninsula Village	183	14,501,776	1,506,506	138,291	488,037	824,427	55,751	9.2%	32.4%	54.7%	3.7%
Guildford	240	7,663,572	957,071	103,951	187,000	619,030	47,089	10.9%	19.5%	64.7%	4.9%
Nordel Crossing	241	16,446,539	1,778,544	283,715	300,245	1,108,122	86,461	16.0%	16.9%	62.3%	4.9%
Vancouver Stores											
Marpole	38	6,766,509	819,748	71,082	194,324	514,222	40,122	8.7%	23.7%	62.7%	4.9%
Harbour Centre	53	6,960,294	743,609	85,268	147,259	464,809	46,274	11.5%	19.8%	62.5%	6.2%
Hastings and Slocan	58	7,549,262	1,038,209	85,015	165,003	718,710	69,481	8.2%	15.9%	69.2%	6.7%
Jericho Village	90	9,266,834	970,442	87,193	306,592	538,331	38,326	9.0%	31.6%	55.5%	3.9%
Bute Street	94	9,606,996	1,070,797	132,800	223,392	653,288	61,317	12.4%	20.9%	61.0%	5.7%
Central Licensee	100	294,958,085	19,116,026	6,061,377	6,441,389	3,119,523	3,493,737	31.7%	33.7%	16.3%	18.3%
Dunbar	102	10,623,453	963,578	70,754	371,300	484,537	36,986	7.3%	38.5%	50.3%	3.8%
Commercial Drive	111	11,810,061	1,365,330	114,154	331,961	845,091	74,123	8.4%	24.3%	61.9%	5.4%
Cardero	112	14,241,841	1,585,465	158,951	427,439	924,069	75,006	10.0%	27.0%	58.3%	4.7%
Collingwood - Kingsway	113	11,671,271	1,563,601	140,928	233,164	1,129,501	60,008	9.0%	14.9%	72.2%	3.8%
Broadway Maple	117	17,739,827	1,909,407	157,651	566,844	1,113,843	71,069	8.3%	29.7%	58.3%	3.7%
Kingsgate Mall	123	11,023,916	1,599,376	118,873	227,081	1,174,919	78,503	7.4%	14.2%	73.5%	4.9%
Thurlow	129	26,663,708	2,289,111	261,895	617,261	1,321,331	88,624	11.4%	27.0%	57.7%	3.9%
Arbutus	136	6,497,087	531,312	60,578	247,381	202,837	20,515	11.4%	46.6%	38.2%	3.9%
39th and Cambie	160	40,592,641	2,833,973	333,939	1,020,123	1,385,119	94,792	11.8%	36.0%	48.9%	3.3%
8th & Cambie	177	6,562,040	669,003	58,181	213,871	369,150	27,801	8.7%	32.0%	55.2%	4.2%
Yaletown	191	4,890,929	401,281	45,888	129,322	210,775	15,295	11.4%	32.2%	52.5%	3.8%
UBC Marketplace	192	3,191,778	399,415	32,060	68,390	278,164	20,801	8.0%	17.1%	69.6%	5.2%
Champlain Mall	194	5,379,326	679,627	63,339	153,147	429,180	33,961	9.3%	22.5%	63.1%	5.0%
Kerrisdale	210	3,414,334	327,829	28,271	121,060	164,854	13,645	8.6%	36.9%	50.3%	4.2%
28th and Main	237	5,939,528	767,693	59,629	147,349	532,058	28,657	7.8%	19.2%	69.3%	3.7%
Vancouver Wine Festival	281	462,047	12,286	0	12,286	0	0	0.0%	100.0%	0.0%	0.0%
Broadway & Lillooet	300	9,052,420	1,268,792	82,433	213,675	924,490	48,194	6.5%	16.8%	72.9%	3.8%
West Vancouver Stores											
Ambleside	72	6,878,664	562,651	56,438	283,490	207,652	15,071	10.0%	50.4%	36.9%	2.7%
Caulfeild	175	8,015,178	654,882	60,935	292,794	271,333	29,820	9.3%	44.7%	41.4%	4.6%
Park Royal	228	26,591,942	1,737,482	170,426	842,492	676,991	47,573	9.8%	48.5%	39.0%	2.7%
Whistler Stores											
Whistler Market	179	11,510,590	1,117,543	84,027	300,281	692,046	41,190	7.5%	26.9%	61.9%	3.7%
Whistler Creekside	195	2,765,970	314,810	20,581	65,971	216,215	12,042	6.5%	21.0%	68.7%	3.8%
Whistler	302	8,228,509	911,075	94,982	148,451	622,259	45,384	10.4%	16.3%	68.3%	5.0%
White Rock	6	9,582,603	1,006,054	121,306	331,707	501,149	51,892	12.1%	33.0%	49.8%	5.2%
THOMPSON/OKANAGAN											
Armstrong	215	2,146,156	252,671	36,329	50,031	135,629	30,682	14.4%	19.8%	53.7%	12.1%
Ashcroft	2	1,114,792	176,259	14,168	17,451	134,279	10,361	8.0%	9.9%	76.2%	5.9%
Barriere	138	1,479,768	252,655	17,255	19,638	203,413	12,350	6.8%	7.8%	80.5%	4.9%
Cache Creek	60	978,962	156,323	12,342	13,392	121,582	9,006	7.9%	8.6%	77.8%	5.8%

		Sales		Litre Product Mix				Litre Product Mix Percentage			
Store Name	Store Number	Retail $	Litres	Spirits	Wine	Beer	Ciders /Coolers	Spirits	Wine	Beer	Ciders /Coolers
Chase	226	3,016,493	391,408	46,886	53,021	245,872	45,629	12.0%	13.5%	62.8%	11.7%
Clearwater	88	2,638,033	369,379	35,507	49,540	252,768	31,564	9.6%	13.4%	68.4%	8.5%
Clinton	201	1,173,172	184,887	15,022	13,247	146,826	9,792	8.1%	7.2%	79.4%	5.3%
Enderby	49	2,514,806	319,997	42,340	41,606	198,712	37,339	13.2%	13.0%	62.1%	11.7%
Golden	16	5,197,903	648,785	64,429	80,652	468,221	35,482	9.9%	12.4%	72.2%	5.5%
Kamloops Stores											
Kamloops–Columbia Place	79	18,410,279	1,909,012	252,383	473,814	1,040,001	142,814	13.2%	24.8%	54.5%	7.5%
Kamloops Westsyde	147	1,455,167	217,944	19,162	26,499	159,996	12,288	8.8%	12.2%	73.4%	5.6%
Kamloops North	223	13,894,350	1,685,722	247,964	222,853	1,034,993	179,912	14.7%	13.2%	61.4%	10.7%
Kelowna Stores											
Kelowna Westbank	143	11,573,324	1,434,498	159,513	294,520	887,343	93,122	11.1%	20.5%	61.9%	6.5%
Kelowna Mission Park	148	11,815,645	1,321,526	135,863	359,316	757,119	69,228	10.3%	27.2%	57.3%	5.2%
Kelowna Orchard Park	167	33,678,128	3,111,139	520,406	796,831	1,548,169	245,733	16.7%	25.6%	49.8%	7.9%
Keremeos	19	1,851,862	233,379	30,504	35,805	139,255	27,815	13.1%	15.3%	59.7%	11.9%
Logan Lake	139	912,255	126,963	13,963	16,062	89,860	7,080	11.0%	12.7%	70.8%	5.6%
Lumby	214	2,135,824	279,741	35,548	31,080	183,418	29,695	12.7%	11.1%	65.6%	10.6%
Lytton	209	695,182	119,682	7,036	11,405	92,099	9,142	5.9%	9.5%	77.0%	7.6%
Merritt	29	5,025,667	706,720	75,167	82,475	455,689	93,390	10.6%	11.7%	64.5%	13.2%
Oliver	69	4,038,942	542,701	62,791	71,326	366,411	42,172	11.6%	13.1%	67.5%	7.8%
Osoyoos	83	4,983,597	626,183	68,597	119,325	389,341	48,920	11.0%	19.1%	62.2%	7.8%
Penticton Plaza	130	17,734,837	2,093,244	255,249	446,799	1,254,378	136,817	12.2%	21.3%	59.9%	6.5%
Princeton	37	3,230,163	490,191	41,441	50,523	366,868	31,359	8.5%	10.3%	74.8%	6.4%
Revelstoke	45	5,016,923	591,118	69,056	103,744	374,674	43,644	11.7%	17.6%	63.4%	7.4%
Salmon Arm	48	10,181,045	1,114,157	176,106	217,947	601,373	118,731	15.8%	19.6%	54.0%	10.7%
Sicamous	92	2,103,856	277,680	32,737	32,606	191,591	20,745	11.8%	11.7%	69.0%	7.5%
Summerland	86	3,697,238	527,844	43,549	91,567	362,749	29,979	8.3%	17.3%	68.7%	5.7%
Vernon	135	11,016,754	1,055,846	174,756	276,935	502,415	101,739	16.6%	26.2%	47.6%	9.6%
Winfield	166	4,083,426	524,208	55,908	104,386	323,324	40,590	10.7%	19.9%	61.7%	7.7%
KOOTENAY											
Castlegar	78	4,516,739	549,207	69,975	106,191	321,017	52,024	12.7%	19.3%	58.5%	9.5%
Cranbrook	9	10,937,491	1,426,405	162,859	202,372	971,848	89,325	11.4%	14.2%	68.1%	6.3%
Creston Valley	75	5,108,376	681,738	77,086	93,270	458,617	52,765	11.3%	13.7%	67.3%	7.7%
Elkford	131	740,598	95,557	13,217	8,142	68,525	5,672	13.8%	8.5%	71.7%	5.9%
Fernie	13	3,957,253	515,087	48,508	77,690	367,475	21,414	9.4%	15.1%	71.3%	4.2%
Fruitvale	95	1,419,288	230,308	15,056	27,310	176,844	11,098	6.5%	11.9%	76.8%	4.8%
Grand Forks	15	4,458,761	623,702	59,667	99,262	417,394	47,379	9.6%	15.9%	66.9%	7.6%
Greenwood	14	522,626	89,788	5,567	6,917	73,089	4,214	6.2%	7.7%	81.4%	4.7%
Invermere	17	7,048,506	782,189	99,340	152,725	457,877	72,247	12.7%	19.5%	58.5%	9.2%
Kaslo	18	1,648,709	267,793	14,848	33,715	201,877	17,354	5.5%	12.6%	75.4%	6.5%
Kimberley	66	3,981,401	517,484	57,826	75,975	352,037	31,646	11.2%	14.7%	68.0%	6.1%
Nakusp	202	2,690,803	412,206	30,159	47,284	306,576	28,186	7.3%	11.5%	74.4%	6.8%
Nelson	32	10,659,902	1,254,143	129,983	276,371	738,906	108,883	10.4%	22.0%	58.9%	8.7%
New Denver	74	755,961	120,437	6,501	13,922	92,429	7,586	5.4%	11.6%	76.7%	6.3%
Radium	245	1,675,917	227,790	21,143	33,362	159,412	13,873	9.3%	14.6%	70.0%	6.1%
Rossland	44	2,393,266	302,032	24,879	60,957	202,626	13,571	8.2%	20.2%	67.1%	4.5%
Salmo	207	1,037,366	143,796	15,665	15,343	94,986	17,802	10.9%	10.7%	66.1%	12.4%
Sparwood	28	1,608,205	240,810	24,099	16,206	190,515	9,989	10.0%	6.7%	79.1%	4.1%
Trail	51	5,211,734	690,920	70,003	134,641	429,928	56,347	10.1%	19.5%	62.2%	8.2%

Store Name	Store Number	Sales		Litre Product Mix				Litre Product Mix Percentage			
		Retail $	Litres	Spirits	Wine	Beer	Ciders /Coolers	Spirits	Wine	Beer	Ciders /Coolers
CARIBOO											
100 Mile House	221	7,627,134	984,962	117,890	159,259	629,101	78,712	12.0%	16.2%	63.9%	8.0%
MacKenzie	106	2,465,707	335,933	40,950	26,558	246,117	22,308	12.2%	7.9%	73.3%	6.6%
McBride	26	945,097	139,463	13,126	11,389	107,153	7,796	9.4%	8.2%	76.8%	5.6%
Prince George Stores											
Hart	114	4,573,114	633,258	70,900	63,315	454,018	45,025	11.2%	10.0%	71.7%	7.1%
College Heights	154	4,294,332	592,724	59,400	85,182	415,554	32,588	10.0%	14.4%	70.1%	5.5%
Parkwood	174	20,360,077	2,288,590	331,600	390,963	1,344,851	221,176	14.5%	17.1%	58.8%	9.7%
Quesnel	43	7,922,791	932,371	136,350	156,486	540,211	99,324	14.6%	16.8%	57.9%	10.7%
Valemount	96	1,244,235	156,551	13,075	24,537	112,702	6,237	8.4%	15.7%	72.0%	4.0%
Williams Lake	63	10,386,648	1,199,223	184,213	208,602	669,102	137,306	15.4%	17.4%	55.8%	11.4%
NORTH COAST											
Hazelton	227	1,505,731	263,861	16,778	12,433	210,552	24,098	6.4%	4.7%	79.8%	9.1%
Kitimat	213	2,619,543	332,013	36,156	71,143	203,374	21,340	10.9%	21.4%	61.3%	6.4%
Massett	105	1,722,945	234,836	22,895	32,735	157,467	21,739	9.7%	13.9%	67.1%	9.3%
Prince Rupert	35	5,825,367	703,610	92,263	107,814	451,009	52,524	13.1%	15.3%	64.1%	7.5%
Queen Charlotte	211	1,756,517	235,662	22,161	32,490	161,788	19,224	9.4%	13.8%	68.7%	8.2%
Stewart	47	476,924	62,086	6,664	10,567	42,259	2,596	10.7%	17.0%	68.1%	4.2%
Terrace	52	8,938,463	937,328	160,853	185,403	459,808	131,264	17.2%	19.8%	49.1%	14.0%
NECHAKO											
Burns Lake	73	2,264,128	300,208	37,612	32,662	210,681	19,253	12.5%	10.9%	70.2%	6.4%
Fort St. James	248	1,660,289	250,558	22,731	23,375	190,262	14,191	9.1%	9.3%	75.9%	5.7%
Fraser Lake	91	1,261,865	182,985	17,917	17,635	134,314	13,120	9.8%	9.6%	73.4%	7.2%
Houston	99	1,961,679	268,108	30,699	25,038	189,001	23,370	11.5%	9.3%	70.5%	8.7%
Smithers	46	6,171,333	752,975	88,780	127,926	471,444	64,825	11.8%	17.0%	62.6%	8.6%
Vanderhoof	81	2,850,925	389,638	43,961	41,130	273,786	30,760	11.3%	10.6%	70.3%	7.9%
PEACE RIVER											
Chetwynd	238	2,016,681	291,620	30,251	21,107	222,932	17,331	10.4%	7.2%	76.4%	5.9%
Dawson Creek	212	8,147,492	1,029,488	139,467	113,898	690,151	85,972	13.5%	11.1%	67.0%	8.4%
Fort Nelson	222	1,896,137	232,201	33,938	22,970	161,555	13,738	14.6%	9.9%	69.6%	5.9%
Fort St. John	3	10,273,083	1,185,408	188,923	131,195	773,306	91,984	15.9%	11.1%	65.2%	7.8%
Hudson Hope	234	646,491	83,389	9,971	9,290	58,341	5,787	12.0%	11.1%	70.0%	6.9%
Tumbler Ridge	169	1,154,415	165,590	18,066	11,467	128,925	7,132	10.9%	6.9%	77.9%	4.3%
GRAND TOTAL		**1,732,781,090**	**180,706,569**	**24,325,444**	**43,283,626**	**99,088,403**	**14,009,096**	**13.5%**	**24.0%**	**54.8%**	**7.8%**

Appendix A

Data Accuracy

The following information summarizes the source and accuracy of the data used for Annual Report performance measures.

Sales Data (goals 1, 3, 4)

Sales data for government liquor stores (GLSs) is collected from computerized point of sale cash register systems and stored in head office databases. Sales made directly to customers by agents on behalf of the Liquor Distribution Branch (LDB) are transmitted to the LDB and stored in databases.LDB financial statements are audited by the Auditor General's office annually.

Expense Data: (goals 1, 4)

LDB expense data is captured, stored and reported by the LDB's financial system. The LDB's financial statements are audited by the Auditor General's office annually.

Employee and Customer Surveys (goals 2, 3, 4, 5)

The LDB contracts with professional survey companies to ensure that survey results are statistically valid.

Distribution Centre Accuracy Rate

The accuracy of distribution centre orders is determined by random manual checks of orders that are ready for shipment.

2-ID Checking:

The Liquor Control and Licensing Branch checks GLS compliance with ID checking requirements by using mystery shoppers.

Other Data (goals 3, 4, 5):

Measures—including "Number of LRSs receiving direct shipment"; and "Implementation of cooperative responsible-use beverage alcohol programs"—are counted and tracked manually.

Appendix B

Key Departmental Descriptions:

Retail Services

Retail Services includes Distribution, Store Operations, Purchasing, Marketing, Wholesale and Real Estate.

Distribution

Distribution is responsible for processing more than 10 million cases of beverage alcohol annually through its two distribution centres located in Vancouver and Kamloops. The department serves both retail and wholesale customers, which include government liquor stores, rural agency stores, licensee retail stores, private wine stores and three other liquor jurisdictions in northern Canada.

Store Operations

The Store Operations department manages 199 government liquor stores throughout the province and administers and supports customer service and sales activities within the stores, including the responsible retailing of beverage alcohol.The department also oversees the Rural Agency Store program.

Purchasing

Purchasing is responsible for purchasing beverage alcohol products that are approved for sale in British Columbia, and manages the inventory of products sold in LDB stores by monitoring daily market and sales trends in order to forecast inventory volume and prevent product stockouts.

Marketing

Marketing is responsible for product and event promotions in government liquor stores, and works with suppliers and manufacturers, as well as store staff, to provide feature products and product information to enhance customer service. Marketing also develops and publishes a monthly price list, the quarterly Taste magazine, the product content and information for www.bcliquorstores.com, and materials for the LDB's Social Responsibility programs.

Wholesale

The Wholesale department manages the LDB's two wholesale stores—one located in Vancouver and the other on Victoria. Wholesale provides service to LRS outlets, licensees, on-site industry stores, independent wine stores, off-site industry stores and duty-free stores. The Wholesale department interacts and works with the wholesale industry, customers and stakeholders to ensure their business needs are met.

Real Estate

The Real Estate department is responsible for the administration and maintenance of the LDB's leased and owned store premises, distribution centres and administrative offices. Real Estate is responsible for enhancing customer service by developing new store locations and upgrading existing properties.

Corporate Security

This department is responsible for developing, implementing and administering diverse and comprehensive security policies and programs. Corporate Security is also responsible for the LDB's Emergency Management and Business Continuity programs. Corporate Security optimizes protection of public financial assets, personnel and the general public.

Legal Services

The Legal Services department provides legal advice to the LDB and directs the Information and Privacy program. The responsibilities of the Information and Privacy Office include: responding to public requests for LDB business information; advising on privacy issues; administering, controlling and preserving LDB records; and providing a sales data service to LDB industry partners such as suppliers, agents, industry associations, private retailers and departments of government.

Corporate Policy

The Corporate Policy department researches and advises on corporate policy issues and works with other government organizations on cross-jurisdictional issues. The department is also responsible for Special Retail Programs and Communications.

Communications

Communications is responsible for internal and external communications, public relations and media relations. The department develops a variety of corporate publications, including public information materials and the LDB's annual reports and service plans.

Finance

The responsibilities of Finance include: the development and implementation of programs for effective financial control of assets, revenues and expenditures; the procurement of non-liquor goods and services for the LDB; the preparation and monitoring of revenue, expense and capital budgets; accounting for and reporting on branch operations in accordance with generally accepted accounting principles; and the provision of financial analysis, information and advice as may be required by the LDB. As well as reporting on the LDB's financial performance, this department includes an audit division that ensures accountability to taxpayers and monitors LDB transactions with its business partners.

Information Services

The Information Services department supports the technology required to enable business processes, and provides information relevant to the LDB's business function and security. It assists in the identification of business requirements and provides cost-effective technical solutions in order to achieve organizational goals. This includes research, establishment of standards, deployment, sustainment and possible disposal of hardware and software plus other related supporting technologies.

Human Resources

This department provides human resources services related to recruitment and selection, employee training and development, labour relations, classification and compensation, leave and benefit administration, organizational development, occupational health and safety, employee counselling and human resources planning.

Appendix C

Executive Organization
LDB senior management, as of March 31, 2008, includes:

General Manager*
Jay Chambers

Executive Administrative Assistant
Cindy Dahlke

Executive Director, Finance*
Roger Bissoondatt

Executive Director, Retail Services*
Kelly Wilson

Legal Counsel*
Catherine Sloan

Executive Director, Human Resources*
Gordon Zelenika

Director, Information Services*
Don Farley

Director, Corporate Policy*
Gordon Hall

Director, Corporate Security*
Donna Morse

Director, Store Operations
Gary Branham

Director, Marketing
Jim Fraser

Director, Wholesale Business
Katharine Jowett

Director, Purchasing
Michael Procopio

Director, Real Estate
Bob Tougas

Director, Distribution
Don Wilcox

Chief Auditor
Rita Bittel

Manager, Communications
Katherine Jeffcoatt

* *Members of the Executive Management Committee*

Appendix D - Unaudited

BEER SALES BY COUNTRY OF ORIGIN - TOP 10

GROSS SALES ($000s)

Category	2007/08	2006/07	2005/06	2004/05	$ Change 2007/08 vs 2006/07	% Change 2007/08 vs 2006/07
CANADA	$889,466	$870,209	$841,274	$832,843	$19,257	2.2%
MEXICO	$51,394	$44,397	$39,078	$37,972	$6,997	15.8%
UNITED STATES OF AMERICA	$37,041	$33,411	$30,580	$31,426	$3,630	10.9%
NETHERLANDS	$33,175	$27,039	$21,206	$18,004	$6,136	22.7%
BELGIUM	$25,785	$22,801	$17,839	$13,052	$2,984	13.1%
GERMANY	$13,553	$12,314	$11,275	$11,087	$1,239	10.1%
IRELAND	$12,016	$11,110	$9,967	$9,071	$906	8.2%
BRAZIL	$5,258	$6,416	$4,072	$5,288	-$1,158	-18.0%
UNITED KINGDOM	$4,262	$4,057	$3,505	$3,221	$205	5.0%
DENMARK	$3,733	$2,979	$2,706	$1,902	$753	25.3%

SALES LITRES

Category	2007/08	2006/07	2005/06	2004/05	Volume Change 2007/08 vs 2006/07	% Change 2007/08 vs 2006/07
CANADA	240,955	241,062	238,126	238,593	-106	0.0%
MEXICO	11,060	9,528	8,348	8,130	1,532	16.1%
UNITED STATES OF AMERICA	9,118	8,048	7,375	7,905	1,070	13.3%
NETHERLANDS	6,857	5,732	4,533	3,782	1,125	19.6%
BELGIUM	5,312	4,736	3,730	2,736	576	12.2%
GERMANY	3,242	2,917	2,705	2,664	325	11.1%
IRELAND	2,543	2,372	2,164	1,983	171	7.2%
BRAZIL	1,181	1,449	880	1,075	-267	-18.4%
DENMARK	986	781	712	497	205	26.3%
UNITED KINGDOM	780	766	711	663	14	1.8%

IMPORTED BEER BRANDS - TOP 10

MEASURED IN GROSS SALES ($000s)

Category	2007/08	2006/07	$ Change 2007/08 vs 2006/07	% Change 2007/08 vs 2006/07
CORONA EXTRA (Mexico)	$45,707	$39,260	$6,447	16.4%
MILLER GENUINE DRAFT (United States)	$32,336	$29,765	$2,570	8.6%
HEINEKEN LAGER (Netherlands)	$28,719	$23,120	$5,599	24.2%
STELLA ARTOIS (Belgium)	$24,015	$21,144	$2,872	13.6%
BECKS (Germany)	$5,384	$5,197	$187	3.6%
BRAHMA (Brazil)	$5,257	$6,415	-$1,158	-18.1%
GUINNESS PUB DRAUGHT (Ireland)	$4,165	$3,565	$600	16.8%
GUINNESS STOUT (Ireland)	$4,103	$3,832	$271	7.1%
GROLSCH LAGER (Netherlands)	$3,096	$2,777	$319	11.5%
WARSTEINER PREMIUM VERUM (Germany)	$2,595	$2,440	$155	6.4%

SPIRIT SALES CATEGORY - TOP 10

GROSS SALES ($000s)

Category	2007/08	2006/07	2005/06	2004/05	$ Change 2007/08 vs 2006/07	% Change 2007/08 vs 2006/07
VODKA	$201,733	$178,780	$159,620	$146,851	$22,954	12.8%
WHISKY - CANADA	$129,814	$124,727	$120,705	$118,411	$5,088	4.1%
LIQUEURS	$117,631	$109,154	$98,642	$92,208	$8,476	7.8%
RUM	$115,503	$108,195	$101,345	$97,745	$7,309	6.8%
WHISKY - SCOTCH	$58,164	$54,431	$53,228	$51,008	$3,733	6.9%
GIN	$34,272	$32,371	$30,888	$30,254	$1,901	5.9%
TEQUILA	$19,721	$17,021	$13,673	$11,889	$2,700	15.9%
BRANDY	$13,937	$13,815	$13,650	$13,403	$122	0.9%
WHISKY - OTHER	$13,475	$11,665	$10,244	$9,143	$1,810	15.5%
COGNAC	$4,437	$4,075	$4,220	$3,925	$363	8.9%

SPIRIT SALES CATEGORY - TOP 10

SALES VOLUME LITRES (000s)

Category	2007/08	2006/07	2005/06	2004/05	Volume Change 2007/08 vs 2006/07	% Change 2007/08 vs 2006/07
VODKA	7,608	7,026	6,539	6,124	582	8.3%
WHISKY - CANADA	4,764	4,767	4,759	4,706	-3	-0.1%
RUM	4,412	4,305	4,170	4,068	107	2.5%
LIQUEURS	3,846	3,625	3,342	3,145	222	6.1%
WHISKY - SCOTCH	1,499	1,475	1,491	1,455	24	1.6%
GIN	1,238	1,216	1,190	1,166	22	1.8%
BRANDY	539	547	552	550	-8	-1.5%
TEQUILA	463	416	346	301	47	11.3%
WHISKY - OTHER	389	350	317	282	38	10.9%
COGNAC	46	43	43	41	3	7.0%

SPIRIT BRANDS - TOP 10

GROSS SALES ($000s)

Category	2007/08	2006/07	$ Change 2007/08 vs 2006/07	% Change 2007/08 vs 2006/07
SMIRNOFF - RED LABEL VODKA (Canada)	$59,836	$52,738	$7,099	13.5%
BACARDI WHITE RUM (Canada)	$36,443	$35,762	$681	1.9%
CROWN ROYAL CANADIAN WHISKY (Canada)	$30,981	$28,215	$2,765	9.8%
WISERS - DELUXE CANADIAN WHISKY (Canada)	$20,489	$19,290	$1,199	6.2%
CAPTAIN MORGAN - SPICED (Canada)	$16,048	$12,239	$3,809	31.1%
ALBERTA VODKA (Canada)	$15,897	$14,543	$1,355	9.3%
BAILEYS ORIGINAL IRISH CREAM (Ireland)	$15,765	$14,518	$1,247	8.6%
POLAR ICE VODKA (Canada)	$13,910	$13,722	$188	1.4%
BOLS - BOLSKAYA (Canada)	$13,642	$13,047	$594	4.6%
ABSOLUT VODKA (Sweden)	$13,257	$10,921	$2,336	21.4%

TABLE WINE SALES BY COUNTRY OF ORIGIN - TOP 10

GROSS SALES ($000s)

Category	2007/08	2006/07	2005/06	2004/05	$ Change 2007/08 vs 2006/07	% Change 2007/08 vs 2006/07
CANADA	$294,028	$271,334	$244,411	$217,636	$22,694	8.4%
AUSTRALIA	$131,186	$124,265	$110,995	$99,834	$6,921	5.6%
UNITED STATES OF AMERICA	$76,571	$65,823	$58,051	$52,608	$10,748	16.3%
ITALY	$52,545	$45,044	$40,751	$38,254	$7,501	16.7%
FRANCE	$44,800	$38,629	$32,192	$30,657	$6,171	16.0%
CHILE	$38,195	$32,379	$29,669	$28,019	$5,816	18.0%
ARGENTINA	$17,566	$12,452	$9,011	$7,066	$5,114	41.1%
SOUTH AFRICA	$13,819	$12,940	$11,856	$9,955	$879	6.8%
NEW ZEALAND	$12,493	$9,142	$6,359	$4,072	$3,351	36.7%
SPAIN	$12,289	$9,398	$7,779	$6,218	$2,891	30.8%

SALES VOLUME LITRES (000s)

Category	2007/08	2006/07	2005/06	2004/05	Volume Change 2007/08 vs 2006/07	% Change 2007/08 vs 2006/07
CANADA	24,647	23,483	22,262	20,404	1,164	5.0%
AUSTRALIA	8,339	8,037	7,201	6,491	303	3.8%
UNITED STATES OF AMERICA	5,109	4,643	4,266	4,037	466	10.0%
ITALY	3,321	3,092	2,951	2,877	229	7.4%
CHILE	3,119	2,753	2,622	2,513	366	13.3%
FRANCE	2,386	2,157	1,971	1,960	229	10.6%
ARGENTINA	1,306	969	761	629	338	34.8%
SOUTH AFRICA	1,056	1,004	921	773	53	5.3%
SPAIN	776	595	503	433	181	30.4%
NEW ZEALAND	545	410	288	176	135	33.0%

RED TABLE WINE BRANDS - TOP 10

GROSS SALES ($000s)

Category	2007/08	2006/07	$ Change 2007/08 vs 2006/07	% Change 2007/08 vs 2006/07
SHIRAZ - YELLOW TAIL (Australia)	$10,006	$10,475	-$469	-4.5%
JACKSON TRIGGS - PROPRIETORS SELECTION MERLOT (Canada)	$5,188	$4,665	$523	11.2%
SAWMILL CREEK - BARREL SELECT MERLOT (Canada)	$4,580	$4,445	$135	3.0%
CABERNET SAUVIGNON - WOLF BLASS YELLOW LABEL (Australia)	$4,471	$4,912	-$442	-9.0%
CABERNET SAUVIGNON - J LOHR SEVEN OAKS 2005 (United States)	$3,749	$2,615	$1,134	43.4%
JACKSON-TRIGGS - PROPRIETORS SELECTION CABERNET SAUVIGNON (Canada)	$3,371	$3,323	$48	1.4%
DOMAINE D'OR - RED (Canada)	$3,227	$2,785	$442	15.9%
NAKED GRAPE - SHIRAZ (Canada)	$3,054	$1,689	$1,365	80.8%
MERLOT - YELLOW TAIL (Australia)	$3,026	$3,188	-$161	-5.1%
PELLER ESTATES - PROPRIETORS RESERVE SHIRAZ (Canada)	$2,879	$2,105	$774	36.8%

WHITE TABLE WINE BRANDS - TOP 10

GROSS SALES ($000s)

Category	2007/08	2006/07	$ Change 2007/08 vs 2006/07	% Change 2007/08 vs 2006/07
SAWMILL CREEK - BARREL SELECT (Canada)	$4,679	$4,478	$201	4.5%
JACKSON-TRIGGS - PROPRIETORS SELECTION SAUVIGNON BLANC (Canada)	$4,332	$3,997	$335	8.4%
CHARDONNAY - YELLOW TAIL (Australia)	$3,875	$4,025	-$150	-3.7%
DOMAINE D'OR WHITE (Canada)	$3,769	$3,237	$532	16.4%
PELLER ESTATES - PROPRIETORS RESERVE PINOT GRIGIO (Canada)	$3,403	$2,570	$832	32.4%
CHARDONNAY - LINDEMANS BIN 65 (Australia)	$3,309	$3,297	$12	0.4%
JACKSON-TRIGGS - PROPRIETORS SELECTION CHARDONNAY (Canada)	$3,143	$3,116	$26	0.8%
SAWMILL CREEK - BARREL SELECT SAUVIGNON BLANC (Canada)	$3,001	$2,582	$420	16.3%
RIESLING TRAMINER - HARDY STAMP SERIES (Australia)	$2,985	$1,633	$1,352	82.8%
SCHLOSS LADERHEIM (Canada)	$2,885	$3,055	-$170	-5.6%

BC VQA TABLE WINE BRANDS - TOP 10

GROSS SALES ($000s)

Category	2007/08	2006/07	$ Change 2007/08 vs 2006/07	% Change 2007/08 vs 2006/07
SUMAC RIDGE - PRIVATE RESERVE GEWURZTRAMINER	$2,143	$1,850	$293	15.8%
MISSION HILL - FIVE VINEYARDS PINOT GRIGIO	$1,486	$1,240	$246	19.8%
MISSION HILL - FIVE VINEYARDS CABERNET MERLOT	$1,324	$737	$587	79.7%
GRAY MONK - PINOT GRIS	$1,221	$679	$542	79.9%
QUAILS GATE - LIMITED RELEASE CHASSELAS-PINOT BLANC	$1,220	$722	$498	68.9%
GRAY MONK - LATITUDE FIFTY SELECT WHITE	$1,203	$986	$217	22.0%
BURROWING OWL - PINOT GRIS	$1,164	$651	$513	78.7%
MISSION HILL - FAMILY ESTATE OCULUS	$1,121	$0	$1,121	n/a
JACKSON TRIGGS - VINTNERS RESERVE MERLOT	$1,121	$918	$203	22.2%
BURROWING OWL - MERLOT	$1,101	$1,605	-$504	-31.4%

REFRESHMENT BRANDS - TOP 10

GROSS SALES ($000s)

Category	2007/08	2006/07	$ Change 2007/08 vs 2006/07	% Change 2007/08 vs 2006/07
SMIRNOFF - ICE	$13,782	$14,743	-$962	-6.5%
BULMER - STRONGBOW	$5,773	$3,356	$2,418	72.0%
GROWERS CIDER CO. - EXTRA DRY APPLE	$4,932	$4,873	$59	1.2%
MIKE'S - HARD LEMONADE	$3,773	$3,670	$104	2.8%
GROWERS CIDER CO. - NATURAL PEACH	$3,714	$3,507	$207	5.9%
GROWERS CIDER CO. - POMEGRANATE	$2,552	$7	$2,545	36,887.5%
GROWERS CIDER CO. - RED RUBY GRAPEFRUIT	$2,409	$2,380	$29	1.2%
BACARDI BREEZER - TROPICAL ORANGE SMOOTHIE	$2,273	$2,593	-$320	-12.4%
OKANAGAN PREMIUM - CRISP APPLE	$2,087	$1,985	$102	5.1%
EXTRA - HARD GLACIER BERRY	$1,828	$1,756	$72	4.1%

Glossary

Agency Stores
Privately-operated liquor outlets appointed under Section 18(5) of the *Liquor Distribution Act*. These include rural agency stores, independent wine stores, duty-free stores, and BC liquor manufacturer's stores.

Agent
An individual, partnership or company representing a supplier in accordance with a letter of authorization accepted by the LDB, or an individual who is duly licensed pursuant to section 52 of the *Liquor Control and Licensing Act* to represent an authorized agent.

Beverage Alcohol
Any potable liquid containing more than one per cent ethyl alcohol by volume.

Brew Pub
An establishment licensed to manufacture beer that is sold in an attached pub.

Capital Assets
An asset, whether tangible or intangible, intended for use by the LDB for more than a single fiscal year. Tangible assets have a physical identity such as land, buildings and equipment. Intangible assets do not have a physical identity (for example, goodwill).

Capital Expenditures
Money spent to acquire or upgrade capital assets.

Distillery
Establishments licensed to manufacture distilled liquor products such as whisky, rum, vodka, gin and liqueurs.

Distribution Centre
A branch-operated facility that is used to store and supply products to government liquor stores and wholesale customers. The LDB has one distribution centre in Kamloops and one in Vancouver.

Fiscal Year
The start and end of the year for business and financial purposes. The LDB's fiscal year runs from April 1 to March 31.

Full Time Equivalent (FTE)
The equivalent of one person working 1,827 hours in one year.

Government Liquor Store (GLS)
The retailing arm of the LDB, these government owned and operated liquor stores sell beverage alcohol to retail and wholesale customers. They are also referred to as BC Liquor Stores.

Gross Margin
Excess of sales over the cost of the goods sold. Also called gross profit and can be expressed as a percentage of sales.

Gross Sales
Total sales dollars, before any applicable discounts.

Independent Wine Store
A wine store that sells imported and domestic wine, cider and wine coolers.

Inventory Turnover
Inventory turnover ratio expresses the relationship between the cost of goods sold and the average inventory balance. It indicates the number of times the average inventory is sold during the year.

Licensee Retail Store (LRS)
These private outlets are licensed to liquor primary licence holders by the Liquor Control and Licensing Branch to sell wine, beer, cider, coolers and spirits to the public.

Liquor Control and Licensing Branch (LCLB)
The LCLB enforces the *Liquor Control and Licensing Act*, issues licenses for the manufacturing and selling of liquor, and supervises the service of liquor in licensed establishments.

Liquor Distribution Branch (LDB)
The LDB is responsible for the importation, warehousing, distribution and retailing of beverage alcohol in the province of British Columbia, and operates government liquor stores and distribution centres in the province. The LDB is also responsible for the appointment of private retail agency stores.

Net Income
The total amount of profit that the LDB makes in the fiscal year.

Operating Expenses
Expenses arising in the course of running a business.

Operating Income
Income earned from operations.

Retail Customers
Customers who buy beverage alcohol in government liquor stores for their own personal use. Also known as "Counter Customers."

Rural Agency Store
Rural Agency Stores are general merchandise stores or grocery stores in rural communities that are authorized by the LDB to provide liquor service where it is not viable for a government liquor store to operate.

Service Plan
A high-level planning document that summarizes for the public and stakeholders the core business of each Crown agency, the services provided, the actions planned and the expected results for each fiscal year.

Signature Stores
Large government liquor stores with a wide selection of products, enhanced customer service, and an expanded choice of British Columbia wines.

Supplier
A supplier is a manufacturer that provides beverage alcohol products to the LDB.

Vintners Quality Alliance (VQA)
A quality designation for wines administered by the British Columbia Wine Institute. British Columbia VQA wines are made entirely from grapes grown in British Columbia and are certified by a panel of experts.

Wholesale Customers
Wholesale customers are private retail stores and licensed establishments that buy beverage alcohol from the LDB for resale.

Contact Information

For more information about the Liquor Distribution Branch, or to request more copies of this Annual Report, please contact the LDB Communications department:

via phone: 604-252-3029
via email: communications@bcliquorstores.com

The British Columbia Liquor Distribution Branch 2007/2008 Annual Report is available online at.www.bcliquorstores.com

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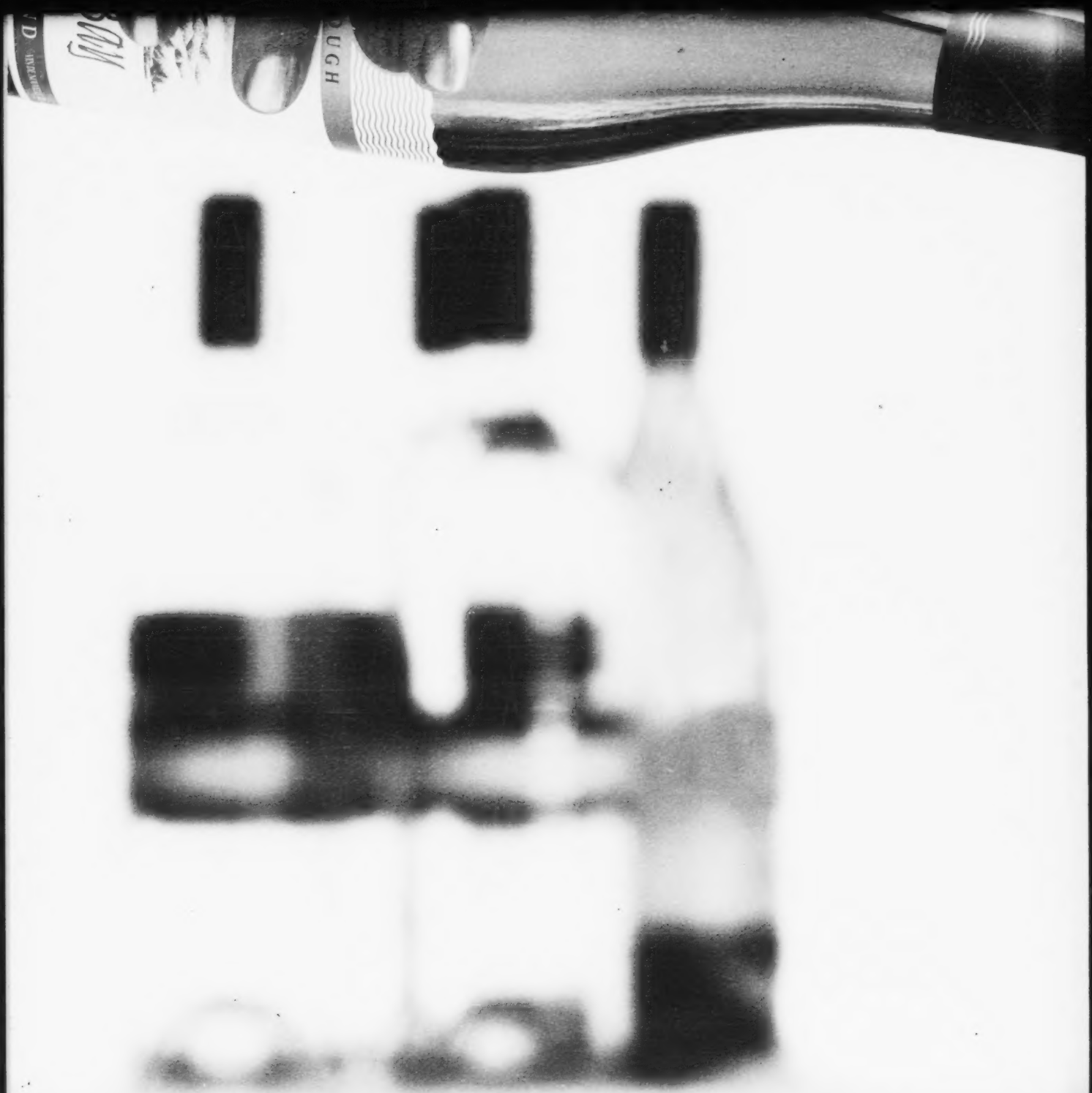

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